

**BUDGET & FINANCE COMMITTEE  
DELIBERATION AND PRELIMINARY DECISION-MAKING  
FISCAL YEAR 2018-2019 ANNUAL BUDGET**

**MAY 10, 2018**

A Deliberation and Preliminary Decision-Making Meeting on the Fiscal Year 2018-2019 Annual Budget of the County of Kaua'i was called to order by Arryl Kaneshiro, Chair, Budget & Finance Committee, on Thursday, May 10, 2018, at 9:06 a.m. at the Council Chambers, 4396 Rice Street, Room 201 Līhu'e, Kaua'i, Hawai'i and the presence of the following were noted:

Honorable Arthur Brun  
Honorable Mason K. Chock  
Honorable Ross Kagawa  
Honorable Derek S.K. Kawakami  
Honorable Mel Rapozo  
Honorable JoAnn A. Yukimura  
Honorable Arryl Kaneshiro

The meeting proceeded as follows:

Committee Chair Kaneshiro: Good morning, everyone. I would like to call to order the Budget & Finance Committee and the Fiscal Year 2018-2019 Budget Decision-Making Session. Let the record reflect that all Members are present. Today, we will be addressing decision-making for Fiscal Year 2018-2019 Operating and Capital Improvement Project (CIP) Budgets and Real Property Tax Rates. We have had nearly three (3) weeks of budget reviews and a substantial discussion with the Administration on their proposed budget; as well as received lengthy responses from the Administration to numerous follow-up questions that were transmitted, approximately one hundred (100) questions, that they responded to. Again, I am hopeful that we can limit our questions to the Administration and just keep it specific to the item we are talking about today. It is now our opportunity to offer our proposals to the budget for the Fiscal Year 2018-2019. I would like to remind the Committee Members that any proposal to reduce or remove an item requires four (4) votes and any proposal to increase or add an item requires five (5) votes. Once we vote on an item today, we will not revisit that item, unless it is deemed absolutely necessary. Additionally, once a proposal is introduced, I respectfully ask that the members be concise and considerate with their time during the discussion period, as our time will be limited.

As we have heard from the Mayor and his team, as well as through our budget discussions, I wanted to reiterate a few fiscal realities that are facing our County. First and foremost, as we all know, the damage from the recent heavy rains and flooding continue to be assessed and will most likely increase in the coming months. We have already appropriated \$5,000,000 from our Disaster Reserve, with more possibly being requested by the Administration. We will continue to see increases in arbitrated or negotiated collective bargaining increases year-after-year; this includes all of our unions, including firefighters, police officers, professional employees, blue-collar workers, and water safety officers. We also continue to see our roads and bridges deteriorate and it will be a few years before the full

impact of the General Excise Tax (GET) surcharge is realized. I am hopeful that as a Council we can move forward with the decision-making session focusing on the County's core services and basic needs. Of course, everyone has their own individual priorities and many requests coming in from other constituents, but it will be our decision today to determine, which of these priorities are "wants" versus which of these priorities are "needs," that need to be funded in the next fiscal year. Of course, it has always been my recommendation and prerogative as the Budget & Finance Committee Chair to preserve the Unassigned Fund Balance and to contribute any unappropriated funds resulting from the Committee's decision-making actions to the Unassigned Fund Balance. We all realize that we have done a good job of balancing the budget and meeting our target goal in the Reserve Fund and we do have other needs coming up. We will need to replenish our Reserve Fund from the money that is being taken out for the storm. There are other pressing priorities, like housing, and there has been talk about replenishing the Open Space Fund. So just keep in mind that there are pressing priorities for the future.

Please keep in mind that any additions that you may be proposing should have a corresponding reduction or identification of funding or revenue source. On the screen above, you will see all of the proposals in real-time, projected by staff with the running total of additions and cuts. Lastly, I want to remind everyone that if the Committee does not come to an agreement within the allotted time for decision-making, then the Mayor's proposed Operating and CIP Budgets that were transmitted on March 15, 2018 will go into effect. I will be opening today's session, as we have done throughout the budget session with public testimony, and following public testimony, I will allow time for the Administration to briefly address the Committee before we get into our session regarding the supplemental budget communication. Given deadlines set in the Charter and the timing of our decision-making, I do not want to go into lengthy discussion regarding the Charter deadlines today. Following the presentation that outlines some of the changes in the supplemental communication, I will immediately go into the Council's decision-making. As we do each year, decision-making will follow the same decision-making that we have done each year where we will do individual cuts first, then we will do cuts through multiple departments, and then we will do cuts and adds, and then adds. As a side note, I want to respectfully ask that Councilmembers make their final commentary on the budget during the second and final reading, which is scheduled for May 30, 2018, if all goes according to schedule, and not at the end of each decision-making or in the Committee, if at all possible. That is to be more efficient and not have our staff type up the same meeting minutes for every single meeting. With that, I would like to suspend the rules. Do we have anyone registered to speak?

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Committee Chair, we have three (3) registered speakers. The first speaker is Bridget Hammerquist, followed by Eileen Kechloian.

There being no objections, the rules were suspended to take public testimony.

BRIDGET HAMMERQUIST: Good morning Chair Rapozo and Councilmembers. Thank you for having this opportunity. As you know, last night...

Committee Chair Kaneshiro: Bridget, can you just state your name for the record?

Ms. Hammerquist: Yes, thank you. My name is Bridget Hammerquist. There was a nice turnout of people from Kaua'i last night, expressing their needs and hope that the County Council would take the right steps in improving bus service around the island. I wanted to come back today because one of the things that did not come up, and I think it may have been an oversight, but I could not help but notice that there is a proposal for over \$1,000,000 from the County to go to support the deficit in operating revenue at the Wailua Municipal Golf Course. I think that anyone looking at it would really say, "Are we really as a county spending over \$1,000,000 of taxpayer money to support a municipal golf course, while we are only giving \$160,000 new money to improve bus service?" Our children are really walking the street at night. They are on the shoulder because they miss buses. Our older people are walking when they should not be. We really need to expand bus service to weekends and holidays and have the same service at least seven (7) days a week. The service is not inordinately infrequent, but it is actually long delays that people live with and work with, and they are willing to do that on weekdays, but what is imposed on them on weekends and holidays is really unsafe. So on this *keiki* day, let us take care of our children and do the right thing. If we are going to support golf to the tune of over \$1,000,000, I think we can take \$1,000,000 of that new \$12,500,000 revenue from excise tax and put it towards the bus to get our seven-day-a-week service. Thank you very much.

Ms. Fountain-Tanigawa: The next speaker is Eileen Kechloian, followed by Mistee Bailey-Myrick and Rob Anderson. They want to testify together.

EILEEN KECHLOIAN: My name is Eileen Kechloian. I was thinking about your whole budget thing and how it affects me. I used to have to budget because I had five (5) kids; a lot of these were "throwaway kids" that other people did not want that I raised. I could not take my kids on vacation to Walt Disneyland, but I could take them car-camping. When I look at this budget, I see that we are not taking care of our *keiki* and our *kūpuna*. Honor the past—that is our *kūpuna*. Honor the future—that is our *keiki*. They need to have access to the bus. Old people should not be driving if they are that old. They should be taking the bus. Young people, we do not let them drive. I was thinking, "Where is this money going to come from?" Then we have another problem: affordable housing. We have this huge piece of property that the Wailua Golf Course is sitting on. We could make it a nine-hole course and still let people play and the other nine (9) holes could become affordable housing. That is just a thought. The other thing we could do...that road is really dangerous right there, right? That is where everybody gets killed in the head-on accidents, right by the golf course. Why do we not widen the road and put a little bulkhead in between so that we save more lives. We have something there that we can work with, and as a parent, which is what you folks basically are, "parents of this island," we should take a look at this stuff and see how we can transfer it to make it work for everybody; a "win-win" situation. Thank you.

Ms. Fountain-Tanigawa: Mistee Bailey-Myrick and Rob Anderson.

MISTEE BAILEY-MYRICK: Good morning Council. Thank you for letting me know about today. Mistee Bailey-Myrick, Mālama Pono Health Services.

ROB ANDERSON: Rob Anderson, Mālama Pono Health Services.

Ms. Bailey-Myrick: Our State budget has been cut now without grant-in-aid, over \$270,000. We provide free services for all of Kaua'i, like HIV and sexually-transmitted disease (STD) testing and I know they are the "red-headed stepchild" things that people do not like to think about, but it happens all the time, everywhere. We travel to the west side and we will be going to Hanalei as well once everything gets fixed. We have a mobile unit that we will be taking up to help care for our people. We have reached out to the cruise ship and applied for grant money because we see a ton of cruise employees and passengers that come off and intermingle with our folks and we provide them free services as well, which bites into our money. But they are considered "local residents," because they will rent out a unit on one of the islands, ten (10) people will, and they will share that so they can kind of avoid paying double taxes. I think that for us, the biggest part of it is that these services that we provide are vital and important to our island, and in our experience, we are the least thought-of island when it comes to the Department of Health, especially the Harm Reduction Services Branch. They showed that this year, better than any other, as they sliced and diced us by \$70,000, which is a huge cut for these services, which are a huge part of what we do. We provide birth control, teen pregnancy planning, fatherhood classes, and women's classes all for free and these big cuts from the State are really affecting us. We feel like we are serving the people of Kaua'i and we are asking for \$30,000 as a budget line item because we are going to continue to do this, regardless. Even if you say "no," I will find a way somehow, but we overextend ourselves every year and we go over our budget because we will not say "no" to people that need the help. We are allowed \$15,000 as an entire County for STD testing and treatment, which we do both. Usually by the end of March, early April, we run out of that money and we are the sole people that use it on-island. We are allowed \$15,000...it is not just Mālama Pono; the whole island of Kaua'i is only given \$15,000 by the State to do this work. That is it. Not a penny more. So what we do is just eat it, because we are not going to say "no" because that then puts our folks in danger and we do not want any big outbreaks of anything. There have been large syphilis pods on our island in the last two (2) years. We have had brand new HIV cases for the first time in a very long time over the past three (3) years as well, one being as young as sixteen (16) years old.

Committee Chair Kaneshiro: Okay. Thank you.

Council Chair Rapozo: I received an E-mail yesterday regarding the numbers, so it is okay if I pass out the testimony to each of you?

Committee Chair Kaneshiro: Yes, you can pass out the testimony.

Council Chair Rapozo: The numbers of testing that was done for local Hawai'i residents: 504 versus 26 non-residents. The service is really for the people of Kaua'i.

Ms. Bailey-Myrick: Absolutely.

Council Chair Rapozo: I am not going to go into the rest, but I will pass it out. As you can see, it kind of opened my eyes as to the numbers of people tested for HIV, syphilis, chlamydia, and gonorrhea. I guess it is quite a problem, much bigger than I thought.

Ms. Bailey-Myrick: Our chlamydia and gonorrhea numbers are really high for our high school students and college-aged students right now.



Council Chair Rapozo: And shame on the State.

Ms. Bailey-Myrick: I am very disappointed.

Committee Chair Kaneshiro: She can read that information on her next three (3) minutes if she would like. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: I do have a question. Thank you for coming forth and thank you for your work. What is the reason that the State gave for cutting the funding and how much was cut?

Ms. Bailey-Myrick: \$70,000 total for this next fiscal year and then we were declined our grant-in-aid proposal which we were shocked, because to our knowledge, there was no healthcare provider, direct service provider, that touches a patient that was provided a grant-in-aid on Kaua'i this year for the next fiscal year's grant-in-aid. We have received it once.

Councilmember Yukimura: With us having the Senate President from our island, this still happened?

Ms. Bailey-Myrick: He has been a huge supporter of ours and a very dear friend to the agency; however, I think with the floods that had happened, the majority of the funds were shifted in a different direction, which is really going to affect the people like us, the nonprofits like us, that serve the people of Kaua'i for free, because it will make us have to make some really hard decisions on what areas we are going to cut, how we are going to find funding for it. You folks all know—everybody's hands are in the same pot and we are a small place and we take turns. It is a tough one. Councilmember Yukimura, the reasoning was nothing. They gave me no reason.

Councilmember Yukimura: We have flood costs, too, as the Budget & Finance Committee Chair just mentioned and the core function of health is the State's, so that is really puzzling and disturbing.

Ms. Bailey-Myrick: I agree.

Councilmember Yukimura: Thank you for letting us know.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Yes, thank you for the work that you do. I am just trying to get clarity about where the request is being directed. Have you had a discussion with the Office of the Mayor, Office of Economic Development, or is this a direct request for the Council to make an addition to the budget for your \$30,000?

Ms. Bailey-Myrick: I sat down and talked with Chair Rapozo directly about it.

Councilmember Chock: Okay. Thank you.

Committee Chair Kaneshiro: Thank you.

Ms. Fountain-Tanigawa: Larry Feinstein, followed by Bev Brody.

LARRY FEINSTEIN: Members of the Council, my name is Larry Feinstein. I am a President and involved with a 501(c)(3) called "Kaua'i Cares." That came into existence about two (2) years ago and its purpose was to seek out public/private solutions to challenges in the community. When the Transportation Investment Generating Economic Recovery (TIGER) grant was passed and the significant amount of money allocated towards revitalizing the street, Kalena Park just kind of caught our attention with all of the development going on, and then we have this urban park that really needed to be, in a sense, brought up to that same kind of mentality that was behind the grant for the TIGER grant of making walkable communities and places where it is comfortable to be. We really started to look at the park and I am not sure how long ago, but quite a while ago, I got together with Lenny Rapozo and talked about it, the idea of the park and upgrading it and trying to come up with a way for members of the community to work with the County to support its improvement. Then quite a group of people got together initially to deal with the branding of Rice Street, that had to be at least two (2) years ago, and then that group kind of morphed into a second group that was responsible for putting on the Rice Street Block Party, which was incredibly successful and we had a day-long series of activities in the park. Again, with Lenny Rapozo's help, there was a basketball tournament and Lori Koga from the Tanaka Store spent a huge amount of time creating just day-long activities for the children. Then that was followed-up by the Boys & Girls Club and their completion of their recent program, the Youth Engagement & Action for Health (YEAH!) program, done in conjunction with Georgia Tech, and they made a terrific presentation to you folks, which kind of brought some additional eyes and attention to Kalena Park. A group of us got together at the Boys & Girls Club around two (2) weeks ago and we decided that we were going to stage some events at the park to bring more people over, and while we have the people there, we were going to poll them on what they would like to see in the park. So we would have a combination of the Boys & Girls Club's input and the community and it would be incredibly valuable to have a design plan to go forward. I am not quite sure of funding, but the intention is to set money aside for a design plan to be handled by Get Fit Kaua'i. I am done and I apologize for running long. Thank you.

Committee Chair Kaneshiro: Thank you, Larry.

Ms. Fountain-Tanigawa: Our last speaker is Bev Brody.

BEV BRODY: Good morning. My name is Bev Brody and I am the Director of Get Fit Kaua'i. Get Fit Kaua'i is the community coalition for active living and healthy eating. Our mission is to create opportunities for people to be more physically active, to try to get at least thirty (30) minutes of physical activity daily. Get Fit Kaua'i has action groups, and one of those action groups was the Rice Street Block Party. That was under the umbrella of Get Fit Kaua'i, which Larry talked about, and it was super successful. One of the reasons why it was so successful is that it was community-driven; it was the community's voice that put this all together. From that, as Larry was saying, there was that one day event

in Kalena Park, which was another super successful event, and from that, we partnered with Georgia Tech, the Boys & Girls Club, and the County of Kaua'i and put on the YEAH! Program; they gave you that presentation the other day. Now, they want to continue. Again, this is a community group that would like to gather input from the community, do a study, and do a design for Kalena Park. That is what we are asking for, to please earmark some moneys so that we can actually move forward, listen to these kids' voices and move forward with a design that reflects the community's wishes for Kalena Park.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: It sounds like a wonderful plan. Have you spoken to the Department of Parks & Recreation?

Ms. Brody: I have.

Councilmember Yukimura: Have they suggested where in their budget the moneys might come from?

Ms. Brody: I talked with Lenny yesterday and we did not get into that type of detail, but he supports it.

Councilmember Yukimura: Okay. Thank you.

Ms. Brody: You are welcome.

Committee Chair Kaneshiro: Thank you. Anyone else wishing to testify for the first time? Anyone wanting a second three (3) minutes? If not, Ken, do you have a quick presentation on any changes that came in with the supplemental budget?

KEN M. SHIMONISHI, Director of Finance: *Aloha* Committee Chair Kaneshiro and Members of the Committee. Ken Shimonishi, Director of Finance. The Mayor's Supplemental Budget Message covers all the large items. Basically, the Administration has submitted a supplemental communication that included an increase of approximately \$450,000 from the March 15<sup>th</sup> submittal. The submittal also conforms with our structurally balanced budget policy where we are not utilizing any of the Reserve or Fund Balance to balance the General Fund. What I have handed out is just a summary of where we had made changes from the March 15<sup>th</sup> submittal, a summary by the account element level, so to speak. You can see that our salaries and wages increased by \$165,000, which was primarily due to our Unit 14 Ocean Safety personnel, us receiving the arbitration decision and therefore budgeting those dollars in the appropriate category. We also submitted in the budget the reinstatement of a Purchasing position and where we had intended to use that towards the Motor Vehicle Registration Clerk, we decided to add a new position as a Motor Vehicle Registration Clerk, retain that Purchasing position and fully fund that position as well. For the overtime, there is a small adjustment in there and that was just related to our Transportation Agency where we had moved salaries from our GET fund to the General Fund, but we wanted to retain that budget amount in there. You see a large decrease in our employee benefits. We adjusted our benefits primarily due to short-funding of police officers, as well as where we had the bargaining allowance for our ocean safety, initially as a

placeholder in there. The largest decreases came from our Ocean Safety Bureau and our Police Department in those benefit adjustments going down. You see some smaller adjustments that we have made. The next larger piece would be our grant-in-aid of \$135,000, \$100,000 of which is related to our economic development for all stewardship programs across the island. We thought it was important to have some support for that in there. The biggest item we have is in the Other Commodities of roughly \$500,000. That is related to providing an allowance for our Housing Agency. This is actually for the Section 8 program to allow our Housing Agency to be able to lease-up more than what they have been allotted through the federal program, and thereby hopefully be able to grow this program going forward, rather than not fully leasing up and have those benefits shrink over years. That is our intent there to help with the affordable housing, as well as the Section 8 program. Again in total, \$447,995 is the increase over the March 15<sup>th</sup> submittal and we have provided that.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you. This is perfect and easier to view. Can you repeat again—did you mention the \$56,000 for Other Services?

Mr. Shimonishi: The \$56,000 for Other Services...I have it written here...that is a couple of things, but the largest part is for our Solid Waste...the (inaudible) extension for our landfill, which was \$60,000. Then we had a couple of small adjustments within the Economic Development that reduced that line item by \$4,000. Again, (inaudible) extensions for the landfill in Solid Waste, offset by some adjustments in our Economic Development line item.

Councilmember Chock: Just to confirm, is any portion of the \$499,000 for Housing Section 8 going to the Revolving Fund? Is it being used for the lease program?

Mr. Shimonishi: Correct. I do not think Housing is here, but that is basically an allowance in the event that they can lease-up more of Section 8 vouchers than they are receiving to keep that program growing, so to speak, kind of like an overdraft allowance.

Councilmember Chock: I like that. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Ken, thank you very much for putting money in for the Housing voucher program because I can throw away my amendment to do that. I think even in our discussions on the Housing budget, I felt like there was great support for that and it makes a lot of sense because it is kind of like priming the pump for more federal moneys, right?

Mr. Shimonishi: Correct. I cannot take credit for that, but I think it was a priority that we saw, shared between the Council and the Administration as well.

Councilmember Yukimura: Yes, excellent. This \$100,000 for your stewardship program...that is a pretty big chunk for the last-minute budget. How are you folks proposing to spend that?

Mr. Shimonishi: My understanding is that will be like a Request for Proposal (RFP) process. It is kind of a generic, not assigned to any one particular stewardship, but available for the various stewardships that we have, and if need be, we can have the Office of Economic Development discuss their approach to that.

Councilmember Yukimura: Are they here?

Mr. Shimonishi: We can call them when we get there.

WALLACE G. REZENTES, JR., Managing Director: Good morning Councilmembers. Wally Rezentes, Jr. Unfortunately, George Costa got called away on a family emergency this morning. We hope to get him in here in a couple of hours.

Councilmember Yukimura: What about Nalani?

Mr. Rezentes: Nalani is out on the north or east side of the island today.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Any other questions for the Administration on their changes in the supplemental budget? Councilmember Yukimura.

Councilmember Yukimura: So your grants-in-aid increased by \$135,000; is that correct?

Mr. Shimonishi: That is correct.

Councilmember Yukimura: What is that?

Mr. Shimonishi: What that included is...as I mentioned, the \$100,000 for the stewardship programs, the various programs that we have. We also increased a small amount in the Office of the Mayor under Life's Choices Kaua'i mini-grants for \$2,160 and we included grants for our Solid Waste, which was not included in the March 15<sup>th</sup>, which had to do with commercial, non-HI-5 recycling of \$20,000, as well as large tire recycling of \$3,000.

Councilmember Yukimura: Okay. May I continue? I am sorry, the Other Commodities of \$500,000—what is that?

Mr. Shimonishi: That was the Housing Section 8 allowance.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions? If not, thank you. I will call the meeting back to order so that we can begin our order of business for the day.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: First, I would like to ask for a motion or agreement from the Committee to accept the supplemental budget communication changes that were submitted on May 8, 2018 and to use the supplemental budget as our starting point for decision-making.

Councilmember Kagawa moved to use the Mayor's May Supplemental Budget Communication as the starting point for Decision-Making, seconded by Councilmember Chock, and unanimously carried.

Committee Chair Kaneshiro: Next, we will get into the "nitty-gritty." We are going to be going through our proposed reductions. Again, it is going to go with individual Operating Budget reductions, individual CIP reductions, multiple department reductions, additions, and then we will do our cuts and adds at the same time. That is the process. I know Council Staff has prepared cuts already. We are going to go through each department. If you have a cut in that department, let me know and we will stop. If not, we will just keep moving on. Any cuts for the Office of the Mayor? Councilmember Yukimura.

Councilmember Yukimura moved to remove the funding in the amount of (\$10,000) for the International Ace Conference, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Any questions or discussion?

Councilmember Yukimura: When I look at the other priorities like an electric car charger for the west side or even the moneys we need for bus services, it just does not seem to rise to the level of importance, or even Mālama Pono funding, and I think we have to keep clear about our priorities and every dollar counts.

Committee Chair Kaneshiro: Any further questions or discussion?  
Councilmember Chock.

Councilmember Chock: My understanding from the budget presentation was that each of the counties was putting...I just wanted to understand what the implication is of this County not putting its share in. Are we just out of that particular collaboration or what happened? I think Wally just walked out and I think he was the one who spoke to it last. I do not know what we are cutting. Mr. Chair, if they do not have it, I will move on if we need to, if they cannot be here to discuss it.

Council Chair Rapozo: I agree. If they are not here and they cannot justify it, then I am not going to oppose the cut. It sounded important when they presented it. I am concerned with the implication. Is it going to affect the State's effort? If they are not here, then I am ready to vote.

Councilmember Chock:

Councilmember Yukimura.

Councilmember Yukimura: When I heard that it was some vague thing about...I was not clear how this island was going to really benefit from it. Somebody had approached the Mayor in Washington, D.C., or at a conference or something and it did not seem like...the benefits, to me, were not clear, especially in light of the dire needs we have.

Councilmember Chock: So the proposal is to cut the Ace funding, \$10,000 from the Office of the Mayor and my understanding from the presentation was that all the counties that are participating were putting into it and I think some counties were still on the fence, if I am not mistaken. I want to know what the implication is of us cutting this in our participation of this. Also, I think further, what I am hearing is that the benefits that we would be getting as a county were not clear to us if we were to support it.

Mr. Rezentes: I apologize, I did not get a question to respond that way. In our discussion, we brought up what the intention was. I do not have it with me right now, but basically, from the Mayor attending work in D.C., it came about that this Ace Conference opportunity...I believe it was with the Council of Mayors that this Ace opportunity came up for an application. I believe we have Maui, O'ahu, and Kaua'i counties that are looking to participate and bring over international leaders to have discussion on sustainability and all of these various topics. It is a function of a federal agency and you can apply annually for selection. I wish I could go back and grab my notes. I was not part of the meetings in D.C. to discuss it, but we can bring it up again or look at what we presented earlier in the March submittal.

Councilmember Chock: I guess I will rephrase the question. So if the \$10,000 gets cut, we are not participating in the Ace Conference anymore?

Mr. Rezentes: Yes, I think every county who is participating is going to be asked to fund \$10,000 towards the event. It will be staged on each island, a few days on each island, with different types of meetings with for-profits, nonprofits, the business sector, agriculture, and military. It is a pretty significant event that occurs internationally and the Office of the Mayor has been part of the discussion with the City & County of Honolulu, Maui County, as well as Kaua'i County for the last couple of months.

Committee Chair Kaneshiro:

Councilmember Brun.

Councilmember Brun: going from island-to-island?

So from your understanding, they are going to be

Mr. Rezentes:

Yes.

Councilmember Brun: So will this cost us more money or this is \$10,000 and when they come here, we still have to put out more to host them? Are we getting a financial benefit where they are coming here and spending money?

Mr. Rezentes: They will be having a contingent of support people, as well as leaders from various nations attend. Part of it is a security component that

they provide as well and every island will host a few days of events and every county has to help coordinate what events are going to occur on which days, so we are trying to line up our for-profit businesses and agricultural community to take part in the Kaua'i portion of the program.

Councilmember Brun: So we are going to look at partnering with other people and not just dishing out more money for this? Is that the plan?

Mr. Rezentes: That is the plan.

Councilmember Brun: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Have Maui, Hawai'i Island, and O'ahu confirmed their participation?

Mr. Rezentes: Thus far, only Hawai'i Island is not a part of it. The other counties are part of it and I believe there is weekly or bimonthly conference call updates with D.C. on the application process, as well as kind of fine-tuning who we are going to engage in, what businesses, what nonprofits, and what are basically the activities for the event. That kind of discussion is ongoing at least twice a month with conference calls and we continue to do that through the Office of the Mayor.

Councilmember Yukimura: What exactly are going to be the benefits to this island?

Mr. Rezentes: I think just hosting an event like that with the type of international leaders brings attention to Kaua'i and the uniqueness of what this island has to offer in the various different business sectors that come to play. I know a good portion of it is about sustainability and trying to find ways in which other parts of the world can benefit on what we do and vice versa. Again, I did not know we were going to have this question today. I know we discussed it during our budget. I can go back and grab my notes that we provided the Council earlier.

Councilmember Yukimura: You said that there might be additional security that we might have to put forth; how much is that going to cost our Police Department?

Mr. Rezentes: I am not sure of all the details yet, but I know they provide security as well. Through the federal government, they provide security for some of these leaders.

Councilmember Yukimura: But surely, they are going to have to coordinate with the local police.

Mr. Rezentes: Yes. Again, we do not know if we are going to get the award yet.



Councilmember Yukimura: Well, I am asking if we get the reward, what will we benefit from, what will be the net costs and the net benefits? A lot of times, we ask our local vendors and everybody to put things out and they go all out and they do all sorts of stuff like donate, but what is really the benefit to them and to us as an island?

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Wally. I guess my question is should the \$10,000 be left in and the Ace Conference go on? Does the Council and the general public get a summary of how the money was spent and what the benefit was? This is the first time for this that I have heard of, so I just want to make sure there is accountability. I do not want to cut something off before it happens because that may be a good opportunity lost. Do we get something in return that shows us accountability?

Mr. Rezentes: The obvious one is funding that will come to our hotels and businesses that are utilized to help host and put on the event. As you know, we have always tried to get events that are national or international to Kaua'i and part of it is the economic development for our businesses and hotels, etc. Just the fact that you will have a number of people here that will be staying in our hotels, eating food at restaurants, and being hosted with nonprofits and those kind of moneys will circulate and get back to some of the small businesses on-island. I think showcasing the State of Hawai'i and the respective counties is also a plus. Again, it is \$10,000...

Councilmember Kagawa: I get it, Wally. Is a headcount going to be taken that says "this amount plus the amount of families," so at least at the end of the day, we know that, "With this \$10,000 grant, this is what we got" and not just randomly, "Plenty of people came"?

Mr. Rezentes: Right.

Councilmember Kagawa: Besides saying, "Okay, exactly two hundred fifty (250) people attended and there were seven hundred (700) more family members." Do we get something like that?

Mr. Rezentes: We could.

Councilmember Kagawa: I think going forward, that should be the standard for these type of conferences that we get some accountability. Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: Just following-up, so if this conference...\$10,000 will help us bid or if we are hosting, we pay the \$10,000 or we are going to pay \$10,000 whether we get something or not?

Mr. Rezentes: \$10,000 is if we win the award to host.

Councilmember Brun: Okay, so can we get a commitment if we leave this \$10,000 in, if this conference does not happen, we will put this money back and not put it someplace else for something else.

Mr. Rezentes: It is going to be the next mayor's *kuleana* for that. This conference is not going to be held when Mayor Carvalho is in office.

Councilmember Brun: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: My recollection of the description was they were going to bring some people in to do seminars or something. It did not sound like there was going to be a whole lot of people coming in.

Mr. Rezentes: It is not going to be like five hundred (500) people, no.

Councilmember Yukimura: It is just seminars...it is going to be a lot of time to drum up and I do not even know what the value of the seminars is. I have not been able to discern that based on the information provided.

Mr. Rezentes: I think we gave a host of documents to the Council earlier, as well as...I know there was an attachment on websites on what the department of state does, historically where these conferences were hosted internationally in the past. I can pull that up.

Councilmember Yukimura: Is it a conference?

Mr. Rezentes: Yes. It is held once or twice a year all over the world.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I thought I had the information in my folder, but what does "Ace" stand for?

Mr. Rezentes: Again, I do not have my notes with me. I can go back and get it and come back in twenty (20) minutes.

Council Chair Rapozo: For the life of me, I cannot remember what it was. Thank you.

Committee Chair Kaneshiro: Any further questions for the Administration? If not, I will call this meeting back to order. Any final discussion before we vote on this \$10,000 cut? An "aye" vote is to cut and a "no" vote is not to cut. You need four (4) votes to cut. Roll call vote.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to remove funding in the amount of (\$10,000) for the International Ace Conference was then put, and failed by the following vote:

FOR MOTION:	Chock, Rapozo, Yukimura	TOTAL – 3,
AGAINST MOTION:	Brun, Kagawa, Kawakami, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: Any other proposals for the Office of the Mayor? If not, we will move on. Any cuts for Council? Any cuts to the Office of the County Attorney? Any cuts to the Office of the Prosecuting Attorney? Let me know if I am moving too fast. Any cuts to Finance? That includes Admin, Accounting, Information Technology (IT), Treasury, Driver's License, Motor Vehicle, Real Property Tax, Real Property Collection, and Purchasing. Any cuts to the Department of Human Resources (HR)? Any cuts to Planning? Any cuts to the Office of Economic Development? Nalani is here. Did we want to ask the question about the \$100,000 while she is here?

Councilmember Kagawa: Yes.

Committee Chair Kaneshiro: I will suspend the rules. Nalani, earlier there was a question, as the Administration went through their changes from the previous budget to the supplemental that we added \$100,000 in the Office of Economic Development for grant-in-aid. Can you explain what that grant-in-aid is for and why it is needed?

There being no objections, the rules were suspended.

NALANI BRUN, Program Administrative Officer: Nalani Brun, Office of Economic Development. Basically, we are trying to give a secondary push to the stewardship programs. So the ones that we actually have, a lot of them pretty much have been operating with no funds or we have been out helping them get other people to help put funds in or help them provide equipment and things, and at this point, we just wanted to give them the big push at the end and these are the ones we are working with by doing an RFP and see what they need. We have already heard about signage. Signage is a big one for them because they are still getting people doing strange things in our *wahi pana*. Also, things like minimal equipment, some of the gas that they need to do some of the bigger jobs. So over the summer, they want to just do a big, huge push of getting everything completely clean, so we just wanted to use the funds to help them do that. They will turn in proposals to us and then we will review them if they are cost-wise or not. I can tell you as an example, only because I work on Kukui Heiau, which is in front of Lae Nani, is that we had a big event this last March. It was great, we got a *hālau* to come and volunteer, but we did have to get a lot of sponsors to do the food because we had a lot of volunteers. So sometimes the funds will go to help pay for some food and water for the workers. We also had to get a lot of equipment borrowed here and there. Sometimes, even a pool of equipment helps for them and they ask

for funds for that as well. Of course, signage is the big one, because we have got big signage and we still have not quite educated everyone as to how to take care of our areas. So we want to use that to put good signage there and also to get brochures, especially for our places that are near visitor areas, because visitors tend to not really know anything, and then have them pumped out into the areas, as the *poʻo* are requesting. Really, we go to the *poʻo* of each of the stewardship programs and we make sure that they are onboard—they know exactly what they want anyway—and then we just help them to get their proposals ready and fund it that way. Everything is backed up by receipts when it comes in. That is what that is for.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Just to clarify, this is just for the organizations that currently have a stewardship agreement with the County?

Ms. Brun: Yes.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The stewardship program is a wonderful program, one of the gifts of the present Mayor and your office. Can you tell us the *wahi pana* that we presently have stewardship agreements on?

Ms. Brun: So starting from the Haleleʻa side, we have Makaʻāinana O Makana doing Kaulupaoa and Ke Ahu A Laka out in Kēʻē, so that is the first one. In Koʻolau, we have Hokualele, which it is actually a co-op stewardship agreement, but one we consider one of our agreements; so it is us, the Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW), and all of them, because the land kind of lands all over the place, but we helped organized to get a *poʻo* over there. That is in Anahola. We have Lae Ala o Kukui in front of Lae Nani. We have taken on the Wailua area, but we just have not really moved on it because it is part of State land and they are still kind of determining it. We are hoping that at some point they come up with a master plan and then we can help them move forward on that. Moving to Kona, we have Kāneiolouma out in front of Poʻipū Beach. We also have Panaʻewa, which is the Lucy Wright Park area, which Kumano I Ke Ala took over to help steward that area. We also have Pūlama Huleʻia, which we do not have a stewardship agreement with, but it is one of our areas that we are committed to supporting and getting up to Alekoko. Then of course, the Niʻihau Language Commission is kind of an oddball stewardship agreement. We are just helping them steward the future of their language.

Councilmember Yukimura: Sounds wonderful. Thank you very much.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Do we have before and after pictures of those areas?

Ms. Brun: Yes, we do. I can absolutely provide them.

Councilmember Kagawa: And also, mention which group takes care of what.

Ms. Brun: Okay.

Councilmember Kagawa: Do we have an estimated budget for each, like to distribute how much is going to go to what group and what are the projected expenditures of what have you?

Ms. Brun: We would issue an RFP specific to these groups, and then they will come to us with what they think they need. I can make little estimates, but it will not be accurate until they turn in what they are willing to do over the next year.

Councilmember Kagawa: Are any for salaries?

Ms. Brun: None for salaries.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Nalani, so this is the initiation of this idea of having some support moneys for the maintenance of the *wahi pana* and the protection?

Ms. Brun: Yes. We have done a little bit of this with the Hawaiian culture line item that we had, but that also goes to a lot of different areas that come in through the RFP, so it is not always our stewardship programs that get the funds. This one is a pointed effort to try to really support them and lift them up so that they can take off on their own.

Councilmember Yukimura: After this year, you will have a better idea of the needs and the proposals that are going to come forward.

Ms. Brun: Yes. We are trying to get them to think ahead, what they plan to do over the next five (5) years, how they are going to do it, and how they are going to time it out.

Councilmember Yukimura: Excellent. Thank you.

Ms. Brun: Thank you.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Any other questions? If not, thank you. Any proposed cuts for the Office of Economic Development? Any cuts for the Police Department?  
Councilmember Kagawa.

Councilmember Kagawa: Fasten your seatbelts. Just kidding. It is very difficult to propose cuts to any department, but in the committee, we are proposing to pay out a lot of our Open Space Fund, practically depleting it. My goal was to add back whatever we could into that fund, especially after this latest acquisition. You can see how valuable having some moneys in there will be and I think the future will appreciate it. The only way I reasonably think we can achieve long-term stability is by cutting the largest departments, and unfortunately, Police falls in there, along with Fire and Solid Waste. When you go through these, especially public safety departments, there is hardly anything we can touch. A lot of it is all binding by their contracts. You cannot touch Standard of Conduct and a lot of those holidays because it is all in their contracts. The only thing that we can cut is positions that are vacant, as well as overtime. My proposed cut is for \$1,000,000 in overtime. One of the reasons why I am proposing overtime cuts is because we had the Hawai'i Employees' Retirement System (ERS) representative come before us, Mr. Williams, and he informed us that there is evidence of spiking in all islands in public safety. For those of you that are not familiar with what spiking is, it is when an officer who is ready to retire has overtime amounts going up unusually higher than previous years and I think one way of trying to control spiking and control unnecessary overtime is to just reduce the account itself in amount. There is a process for these departments. If midyear or what have you, if they show us that there is some control being exerted in the distribution of overtime, there is always a process where the Comprehensive Annual Financial Report (CAFR) comes in, we have a large surplus, normally exceeding \$10,000,000, and moneys could be restored so that the public is not hampered in the means of public safety. That would be under the discretion of probably the new mayor to restore whatever is missing, but I think it is a big step for this Council to try and control our largest budgets. You folks all know and we have heard the testimonies prior from Finance that over the past ten (10) years, the Police and Fire budgets have doubled or more than doubled where they have gone up from \$16,000,000 to \$35,000,000, which it stands now. It is a most important function of this County, hands-down; however, you all know that they have had lucrative deals in recent negotiations and where else do we cut? How do we control it? It is going to double again over the next ten (10) years, so there will be \$70,000,000 plus million ten (10) years from now each? At some point, I think the Council has to try and exert its power of checks and balance to try and control the spending. It is in no means towards my friends in blue, who a lot of them I grew up with; it is just that, for me, it is sitting here and trying to do the best job I can in the job that I was elected to do. Anyway, it is what it is and let us see how the votes fall. Thank you all for your work. I have not had the time to tell the Council I think we have done a tremendous job during budget.

Councilmember Kagawa moved to cut funding in the amount of (\$1,000,000) from Regular Overtime – Overtime, seconded by Councilmember Chock.

Committee Chair Kaneshiro: Any questions? Councilmember Yukimura.

Councilmember Yukimura: Thank you, Vice Chair. I wondered if you know how much of the overtime budget is due to spiking.

Councilmember Kagawa: Spiking is ambiguous because it does not pinpoint certain individuals. Mr. Williams stated that there is a pattern statewide of spiking. When they do their audit, they see in the three (3) years before they retire, for some reason, the

overtime tends to go unusually high and I guess it is fact that they did their research. When you cut the budget that forces the management of the Police to say, "Hey, we no longer can do this practice, otherwise we will run out in half a year." I think that is the only way we can control their budget, is by reducing their amount so that they try and live within a smaller means. That is kind of a hard question for me to answer, but I just think that we have a big *puka* in our budget now with this Open Space Fund being depleted and I do not know how else to fill a big *puka*.

Councilmember Yukimura: Are you intending this to be a cut so that you have a proposal?

Councilmember Kagawa: All of my cuts. I have approximately \$3,000,000 in cuts that I hope to add to the Open Space Fund.

Councilmember Yukimura: Okay, so that is your goal, to add whatever money you cut and put it into the Open Space Fund?

Committee Chair Kaneshiro: Let me make it clear—it is only a cut proposal, so it would need four (4) votes. If Councilmember Kagawa did a cut and add proposal, it would take five (5) votes.

Councilmember Kagawa: I think the fair way of looking at that amount that the Open Space Commission is really concerned about—you have seen it in their testimony—they want what is the difference between the appraisal and the amount that we are paying for the Hanalei Coastal property in our settlement, which was agreed upon by both sides of attorneys. So I think without disclosing what the appraisal was, we know that it probably exceeds \$1,000,000, but the more we can put in, the better, because we see how valuable it is having those moneys in there.

Councilmember Yukimura: So now spiking is legal for many of the police officers because the anti-spiking measure that passed only applied to new officers who came in after the anti-spiking law was passed, right? So how would management be able to control it?

Councilmember Kagawa: Well, somebody has the ultimate power in approving all overtime and it is not us, so obviously we have to leave it to management to try and live within their budget if these cuts can be achieved. I know it is going to be difficult to get the votes, but I have proposed these same cuts for the past four (4) years, so nobody should be surprised.

Councilmember Yukimura: No, I appreciate your concern. I think we will call the Police or the Police administration up to give their side of it. I just wanted also to ask, of this \$1,000,000 in overtime, how much is due to the last pay raise that was approved?

Councilmember Kagawa: Zero, because the pay raises do not affect regular overtime.

Councilmember Yukimura: It will because the overtime officer...

Councilmember Kagawa: Oh, you mean the difference of the pay amount?

Councilmember Yukimura: Right.

Councilmember Kagawa: That, I have no idea.

Councilmember Yukimura: I would like to make a request to HR, not necessarily for this vote, because it might happen before, but I think it is a legitimate question: how much of the overtime is due to the increases in salaries that were approved?

Committee Chair Kaneshiro: I do not know if Janine can do it or not. It might be very difficult to break down how much of the overtime is due to...they are going to have to see each individual police employee, what was their increase, what was their additional overtime, and of course it is not a set overtime. They might work overtime because somebody is sick and they might do this. I do not know...

Councilmember Yukimura: Well, I do not know either, but I just want to ask the question. If it is not possible to do in this day and age of computers, then they can tell us and that will be the answer. I would just like the question to be conveyed and not necessarily, as I said, for this decision-making, because I do not know if we will get the answer in time, but I would like to know for future budgeting and understanding of how pay raises work and what implications and impacts they have, I would like to ask the question.

Committee Chair Kaneshiro: For me thinking about your question, I think it is kind of a moving target. You would have to say, "Last year, based on the salary that everybody has, what is the increase that they received and what would be their difference in overtime?" But if you are going from last year to this year, again, there are many factors that affect overtime with a police officer, so that number will change. The rules are suspended.

There being no objections, the rules were suspended.

JANINE M.Z. RAPOZO, Director of Human Resources: Good morning. Janine Rapozo, Director of Human Resources. You are correct, Chair Kaneshiro; it is a moving target, but if we just look at the pay raise itself, which was a two percent (2%) across the board and two point two five percent (2.25%) for the next year, you could probably use that as what the overtime increase would have been based on the collective bargaining raises.

Councilmember Yukimura: So "x + 2%" is the overtime?

Ms. Rapozo: Well, it would be the increase because of collective bargaining, because instead of getting, let us say, if your overtime rate was \$5 and it is a two percent (2%) increase...I am really bad at math, so I do not know what that would be, but that would be now your new overtime rate, which would be two percent (2%) more. So that is all it would be.

Councilmember Yukimura: So you can figure it in general terms?



Ms. Rapozo: In general terms, I would say two percent (2%) of the increases in overtime would be dedicated to collective bargaining raises if you just look at...

Councilmember Yukimura: Okay. That is a good rule of thumb. Thank you.

Committee Chair Kaneshiro: That is much simpler than looking at every position...you have people that have retired so there might be more salaries that are at a lower range, but making more overtime, you may have had a higher salary employee that retired, so that overtime...it is a very difficult moving target. Councilmember Yukimura.

Councilmember Yukimura: It is either a question for Janine or the Vice Chair, but what is the total overtime budget from which you are proposing a \$1,000,000 cut?

Committee Chair Kaneshiro: The regular overtime budget is currently...actually, I am looking at the old budget...I do not think it changes, so it is approximately \$2,000,000.

Councilmember Yukimura: Okay, so the proposal is about a fifty percent (50%) cut, which is more than two percent (2%).

Committee Chair Kaneshiro: Actually, let me state this to correct it: regular overtime is made up of...we do not have to do it by line item. The regular overtime number is \$1,400,000.

Councilmember Kagawa: For me, it is a really aggressive cut; however, there is a process to do money bills midyear. We could even do a money bill in August. I think showing the Council evidence that measures have been taken by management to reduce spiking, I think would prove...if you look at the prior numbers, it is hard to figure out whether management has done anything about spiking on Kaua'i. That is why I propose this type of aggressive cut.

Councilmember Yukimura: Actually, if the collective bargaining raise had been rejected, I think it was about \$1,000,000 in the first year. I know it is \$7,000,000 total for four (4) years, so you could have had your \$1,000,000 another way.

Committee Chair Kaneshiro: I do not know if rejecting the collective bargaining would have ended up with a zero percent increase. Do we have any more questions? If not, any final discussion prior to taking the vote?

Councilmember Yukimura: Can we hear from the Police Department about how they will be affected?

Committee Chair Kaneshiro: Yes.

MICHAEL CONTRADES, Deputy Chief of Police: Good morning. For the record, Michael Contrades, Kaua'i Police Department. In terms of the Kaua'i Police Department's overtime, we know as a department that that is something the Council is

concerned about every year, so we have taken numerous measures over the years to try and reduce our overtime expenditures. Some of the things that I am hoping the Council will consider is that in this particular budget, as we have in the past, we look at our three-year averages in terms of our overtime expenditures to come up with the amount of money that we are asking for in the various line items, including overtime. So the overtime budget you see before you today is based on that three-year average, as well as anticipated plans for training. We try hard to budget exactly what we think we are going to need in the following year. So this year, if you take a look at our budget, we short-funded eight (8) positions for six (6) months for a cost reduction of about \$255,000. What I am saying is that we are trying to budget more realistically, looking at what we anticipate in terms of hiring practices. We do not anticipate hiring those eight (8) positions before January 1<sup>st</sup>, so that is how we came to that \$255,000 reduction. We also took a look at positions, and as we discussed previously, we are changing our Traffic Monitor to a Police Apprentice to see if we could help with our recruitment efforts and that came with a \$133,680 cost savings. Thus far, on our own, we have cut our budget \$388,680. Essentially, what I am saying is what we budget is what we believe we are going to need. It is not padded. Again, it is based on the three-year average. To take a \$1,000,000 cut would be tough. That would just basically force us to reduce services in some way. We do monitor our overtime. I want the Council to know and understand that every pay period, our supervisors are required to take a look at it. It requires multiple approvals. Our administrative staff is required to look at the trends. We do look especially at the upper management to make sure that there is not...and people close to retirement that there is not any type of spiking going on. It is difficult when you have people who want to work the overtime, and then you have those that do not. What we are finding is that the next generation of officers really appreciate and guard their time off. So a lot of times, they will not want to work the additional overtime, but you have people that do. In the end, it is all work. There really is not any discretionary overtime per se. If there is work to be done, a police officer somewhere has to fill it. Up until the recent flooding events, when we projected-out what we have spent compared to last year, we have reduced our overtime expenditures by six thousand (6,000) hours. That is just by being very careful on what we are doing, looking at different ways we are operating. Of course, unfortunately, with the flooding events that has changed, we have expended a whole bunch of overtime to safeguard our community, but those are the types of things that we are doing and results that we were getting, trying to be fiscally responsible. We do know that the Council is concerned about that, and so are we, so we put a lot of effort into controlling our overtime expenditures.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: I have a question.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Chief, thank you for being here. I just have one question; the officers have a choice? If an officer is needed for an overtime project, does that officer have the right to say "no"?

Mr. Contrades: Sometimes they do not. We call for volunteers first, but many times, they do not. If you need personnel to do a specific duty, it is public safety, so we have to require them to work at times.

Council Chair Rapozo: Right. I guess what I am hearing or what I heard and I hope I did not hear that wrong, is that you have the patrol officer and he does not want to work overtime, so you are going to ask the sergeant, and if they do not want to then you are going to ask the lieutenant. I know that when I was in the department, you show up and see that little cancel on your schedule, then you are working. There was no, "No, I am not going to work because I do not want to work." I think that is the concern, that we are seeing a lot of high-ranking people working overtime. I am hoping that is not the reason because the patrol officer does not want to work or the lieutenant or the sergeant.

Mr. Contrades: It depends upon the duty and the responsibility. There will be times that administrators will work overtime, but it is more along the lines of their job description. We will not put an assistant chief on patrol because a patrol officer does not want to work. We have to also balance that with the reality that sometimes if you force somebody to work and they really do not want to be there, what kind of service are you going to get on top of that? We try to balance that out.

Council Chair Rapozo: Thank you.

Committee Chair Kaneshiro: Any further questions for Police? Thank you.

Mr. Contrades: Thank you.

Committee Chair Kaneshiro: I will call the meeting back to order. Any discussion on this cut? Councilmember Kawakami.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kawakami: Thank you, Mr. Chair. I want to applaud Councilmember Kagawa for having the bravery to look at cuts. Unfortunately, I am not going to be able to support this. I do have a proposed revenue enhancement later on down the line. I do see the challenges in making this big cut from overtime, especially during this time of flooding. I would not want to be faced with unintended consequences by supporting this, but I do want to recognize the merit and just to state my position as being against this cut. Thank you.

Committee Chair Kaneshiro: Anyone else? Councilmember Yukimura.

Councilmember Yukimura: I also recognize the motivation for making the cut and I think we all want to add moneys to the Open Space Fund, but I do not think this is the right way to go because the Police Department has made strenuous efforts, as the Deputy described, to budget more realistically and I have been very impressed by their efforts and they have also been very resourceful and creative in thinking about how to do things more cost-effectively and have produced a lot of cost-savings. That, I think, deserves recognition, and especially with the floods now and in the increase in overtime, I do not see how we possibly could cut that part of the budget. We should not do things that operationally are going to hinder the department. For those reasons, I will be voting against the proposal.

Committee Chair Kaneshiro: Any further discussion? I think every year I anticipate that Councilmember Kagawa is going to have a cut like this and I think every single year we have been in budget we have had a cut like this. Again, I applaud Councilmember Kagawa's attempt because I know what he is trying to do. We are not saying, "Let us follow overtime and try and cut"; he is saying, "Let us make a big cut and force the department to find out where they can cut the expenses." We are not there on the day-to-day basis to know, maybe they are having higher-ranking guys fill for this overtime. We are not there. All we can do is say, "We cut a large amount and we let the department try and deal with the cut." For me, unfortunately, I will not be supporting the cut. I actually had about \$350,000 worth of cuts myself to salaries and training, but with the supplemental budget coming in, I realized that they cut \$384,000 out of Police's budget already. That is pretty much the cut what I was going to make and it kind of cancels me out. In looking at Police's budget, every year they come in asking to spend some money that they have not spent throughout the year from salaries. I think it is around \$400,000. This current year, they actually six-month funded a bunch of positions, so they will not have that "extra gravy" worth of money to come back in the next year. With the overtime, I did notice in this year's budget that they have already encumbered...I think last year, we cut \$400,000 out of their overtime budget or somewhere in that range and they have actually spent more than what they budgeted for with that cut last year and they have been transferring money from salaries to cover their overtime costs and we are not even done with the year. So I was a little hesitant on cutting the overtime. I did see there was room in salaries or overtime training, which historically, they have not spent all of their money on. Again, pretty much the money I was going to cut got wiped out with the supplemental budget coming in and they already cut almost \$400,000 from Police's budget. So I will not be proposing my cuts anymore. Any further discussion? Councilmember Yukimura.

Councilmember Yukimura: It is hard to discuss this subject, but I need to say that my vote against the collective bargaining raises was to try to control the budget without affecting operations. When a beginning officer starts with about \$80,000 total compensation salary, Standard of Conduct, and overtime, that is a big...it is \$7,000,000 over the next four (4) years...that is where the control needs to come. You can see that that kind of allocation starts to even affect the Police Department internally, but it also affects the whole County to take \$7,000,000 from the budget. We are wanting to put \$4,000,000 back into the Open Space account; we need \$1,000,000 for bus weekend service; and affordable housing needs this money. That is kind of the big picture and balancing that we are called to do. It is really, really hard. But in certain respects, addressing it at collective bargaining time is really an opportunity to address it in a way that does not affect operations. I know that the Police Department has vacancies that they are trying to fill, unlike the Fire Department, and often that is a sign that the salaries are not enough. I do recall that in the arbitration opinion, the arbitrators concluded that they did not think that additional salaries would really solve the vacancy problem and that there were other things that needed to be addressed.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I appreciate all of the comments. I will say that the reason for my aggressive cut is also because of the generous packages that were approved prior. We talked a little bit about Standard of Conduct pay and how important that was to

have in the contract; however, we somehow survived the previous seventy (70) years or what have you before that Standard of Conduct got approved. If it was that important, how did we survive all the other years? To me, it is an added benefit and it is an added strain on the budget, which is this Council's *kuleana* and that is why I have proposed such an aggressive cut; how do we control the budget of a growing department? I do not want to see it double in ten (10) years again. That is why I think having this type of cut...it is not an end-all with services. We have a process throughout the year that takes a month and a half to restore anything that could be a mistake. But allowing ourselves to give the department an opportunity to prove to the Council that spiking is not occurring, that these issues are being addressed...spiking also saves money on the retirement side. It is a double-savings by being aggressive and trying to address the problem and that is simply why I proposed this as a solution. It will have the same effect when I bring up the Fire ones and we will see how that one goes. I can see where the votes are and I am ready to take the vote. Thank you, Chair.

Committee Chair Kaneshiro: Any further discussion. Roll call vote.

The motion to cut funding in the amount of (\$1,000,000) from Regular Overtime – Overtime was then put, and failed by the following vote:

FOR MOTION:	Kagawa	TOTAL – 1,
AGAINST MOTION:	Brun, Chock, Kawakami, Rapozo	
	Yukimura, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: Any further cuts for Police?

Council Chair Rapozo: Like you, I did have some vacant positions that I was not going to cut, but dollar fund, but I saw that had been accomplished to some extent. I did have a question on the one position that has been vacant for a very long time and that is the Public Safety Communications Manager position. Can we get the department to come up and explain? I have a sheet, but I need to amend it because there are some on the top that I decided not to pursue, simply because they had already been adjusted in the supplemental.

Committee Chair Kaneshiro: Let us get a motion on that cut for now so that we can discuss it and we can amend it if you want to.

Council Chair Rapozo: I did not have the opportunity to ask that question during the budget process.

Council Chair Rapozo moved to dollar fund Position No. 309-Public Safety Communications Manager, seconded by Councilmember Chock.

Committee Chair Kaneshiro: The rules are suspended.

There being no objections, the rules were suspended.

Council Chair Rapozo: Chief, this is the Public Safety Communications Manager that has been vacant. The last report we got was over seven hundred (700) days. What is the status? Do you need it? What are we doing with that position?

Mr. Contrades: We definitely need the position. The difficulty that we have had is to find suitable and qualified personnel that have both the dispatch and the, for a lack of better terms, "IT type of background." What we tried to do with that position is combine duties to have somebody overseeing dispatch that also has the ability to deal with our Records Management System. We have been having trouble finding suitable and qualified candidates for that particular position. We still do need it, but we are looking at making a change with it and possibly bringing the amount of salary down a bit to try and look at somebody who is more tailored towards the records management side and then looking at possibly establishing a different type of supervisor sitting over dispatch. We really would like to hold onto the position and give us an opportunity to try to see if we can find a happy medium between the two.

Council Chair Rapozo: This is a twelve...when do you anticipate that happening? Do you need a twelve-month funding? Six months? When do you anticipate?

Mr. Contrades: This is something that we are trying to get accomplished. I am hoping to get it done within the first-half of the fiscal year. At this time, I would not be able to say specifically, but we are working on trying to look at a different description of that.

Council Chair Rapozo: Okay.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Chief, what exactly is the job description for this position?

Mr. Contrades: In a nutshell, what we tried to do is a combination of Dispatch Supervisor and Records Management Computer-Aided Dispatch Systems Administrator. The position would call for the management of our public safety answering point, which is our dispatch center, as well as oversight of our Records Management Computer-Aided Dispatch software system. There are some related duties between the two, but there is also some supervision. We are having difficulty finding someone that has both dispatch experience, as well as experience with Records Management Systems. We are kind of looking at possibly splitting those duties and looking at something more of a Records Management Systems Supervisor.

Councilmember Yukimura: Do you have a Dispatch Supervisor right now?

Mr. Contrades: We have someone in there on a temporary basis while we figure out how we are going to deal with this particular situation.

Councilmember Yukimura: Are you having trouble filling dispatch positions, too?

Mr. Contrades: I believe at this point, we have four (4): two (2) are grant-funded and two (2) are County-funded and we are on continuous recruitment. From what I am told, we are actually a lot better off than the other islands, but we are trying hard to fill those vacancies as well.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo said that he is willing to withdraw.

Council Chair Rapozo: I understand and I can accept that rationale.

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo withdrew the motion to dollar fund Position No. 309-Public Safety Communications Manager. Councilmember Chock withdrew the second.

Committee Chair Kaneshiro: Okay. Any further cuts for Police? If not, we will move on to Fire. Any cuts to Fire? I had a cut.

Council Chair Rapozo: I have a question...it is the same question...it may be your cut, but it is for a position as well.

Committee Chair Kaneshiro: Mine is not a position actually. I noticed in the budget that they had money to rebuild/repair/replace stoves in the amount of almost \$12,000 and to replace two (2) stoves in the amount of \$12,000. I know it is not a lot of money, but when I looked at it, for repair, it was \$2,000 a stove at the Fire Department and to replace two (2) stoves, they had it at \$6,000 each. For me, this cut is more of a message than really trying to save money and move money elsewhere. It is more a message of...just going online, I can see stoves in the range of \$600 to \$1,000 to replace for brand new. I am not sure what kind of stoves they are getting, but it is more of a message to say, "If you folks are going to give us budget items for stoves, then I would love for it to be very accurate on what the cost is going to be and what type of stove," but when I looked at the numbers, I thought that \$6,000 for a brand new stove is kind of a lot of money and \$2,000 to repair stoves that they have was a lot of money, especially when I look online at Home Depot and I can see that to replace a stove is \$700 to \$800. I do not know what kind of stove they are replacing. I think there are bigger stoves for \$1,500. For me, if you are going to ask for this kind of stuff, make it a little more accurate. If they want to spend \$6,000 on a stove or almost \$2,500 on stoves, then they can find it in their budget with any lapses to fund. That was my rationale.

Councilmember Chock: Mr. Chair, staff asked me to make your motion to remove the funding of the two (2) stoves.

Councilmember Chock moved to remove funding for Rebuild/Repair/Replace Stoves in the amount of (\$11,892) and Replace 2 Stoves in the amount of (\$12,000), seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Any questions? Any discussion from the Members? If not, roll call vote.

The motion to remove funding for Rebuild/Repair/Replace Stoves in the amount of (\$11,892) and Replace 2 Stoves in the amount of (\$12,000) was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Rapozo, Yukimura, Kaneshiro	TOTAL – 6,
AGAINST MOTION:	Kawakami	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion passes.

Committee Chair Kaneshiro: Any other cuts for Fire?

Council Chair Rapozo: My question was on Position No. 626, the Fire Prevention Inspector II and this is of March 2018 that it had been vacant for five hundred thirty (530) days.

Councilmember Kagawa: Is that a motion?

Council Chair Rapozo: I wanted to get the question asked before...I do not want to cut a position, like the Police, that they expect to fill. It is just that it has been vacant for quite a while.

Council Chair Rapozo moved to dollar fund Position No. 626-Fire Prevention Inspector II, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: The rules are suspended.

There being no objections, the rules were suspended.

Ms. Rapozo: I believe that position is a "Return Right" position for the Deputy so that is why it has been vacant.

Council Chair Rapozo: Okay, so for that Return Right, when do they have to return? By the end of the term of the Mayor, right?

Ms. Rapozo: I think there are four (4) years that they have. I am not sure what he asked for in his request.

Council Chair Rapozo: Okay. Who was...



Ms. Rapozo: Kilipaki was the Fire Inspector.

Council Chair Rapozo: Okay. In essence, we cannot remove that one?

Ms. Rapozo: Well, if he decides to return, we would need to have the position available.

Council Chair Rapozo: Okay. Thank you.

Councilmember Kagawa: Are you going to withdraw?

Council Chair Rapozo: Yes.

Council Chair Rapozo withdrew the motion to dollar fund Position No. 626-Fire Prevention Inspector II. Councilmember Kagawa withdrew the second.

Committee Chair Kaneshiro: Okay. Any other cuts? Councilmember Kagawa.

Councilmember Kagawa moved to cut funding in the amount of (\$500,000) from Regular Overtime-Holiday Pay and to cut funding in the amount of (\$100,000) from Other Services-Helicopter Pilot Contract, seconded by Council Chair Rapozo.

Councilmember Kagawa: Again, we have a budget that is growing out of hand. We have spiking concerns. This puts it on management to do better to ensure that spiking is not occurring and to ensure that our services for the helicopter are looked at more carefully, and basically as a whole, run a tighter ship and I believe that it can be done. If you do not cut anything or do not propose to cut anything, then we are not allowing ourselves the opportunity to see if we can streamline this department and we are just handing it off to the next Council to try and see if they will address this budget that more than doubles over ten (10) years. Again, this is not personal; this is just trying to use our power on the Council to try and give ourselves some control going forward. If there are public safety concerns going forward, we have a process in place to come back to this body and prove to us that the overtime is not going towards only higher-ranking employees and making sure that we are trying to regulate spiking. The total cut is \$600,000.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair and Vice Chair Kagawa for your approach to really try to get a handle on some of the growth that we have seen in these departments. My question is really on the overtime, because I believe that holiday pay is part of the collective bargaining agreement, so I was not sure if that was something that can actually be cut.

Councilmember Kagawa: As a layperson that does not work for the department, I do know this: we have a choice many times whether we staff our stations with three (3) people, rather than five (5). If you give them all of the money in the world that they want, they are going to continue to always have five (5) at the station. Who does not want to

make overtime in today's world? There is management control that can be exercised to achieve what we need to achieve. You are not busy one hundred percent (100%) of the time. You know a lot of times and you can foresee a lot of times when you would want to be at five (5) or when you can probably survive with three (3). If you just give them everything they want, a full budget, we will never achieve cuts that will be sustainable for this County. I believe that this gives us at least some control going forward, because if we reach a point where public safety is hampered, there is a process to come back that can be fixed in a month and a half and I think exerting no control is just allowing them to continue to grow with no Council control.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: If you already explained it, then I apologize, but what about the Helicopter Pilot Contract? You are proposing to cut \$100,000?

Councilmember Kagawa: I am proposing to try and cut any unnecessary use that perhaps can be controlled by tightening their budget. Like I said, there is a process midyear that if they have already been exerting control, then come back to us and prove it and we can restore cuts that were made. I think just rubberstamping the amounts that they are asking for, we are not allowing ourselves the opportunity to see if management has really made changes that are financially achievable.

Councilmember Yukimura: So a contract is a contract, right? Are we contracted to pay this amount for pilot services? We cannot violate contracts that we made or have you shown that this is an hourly payment and that last year, we did not use \$100,000 of the allocation we did last year?

Councilmember Kagawa: You folks see the transfers that go on. Scott sends it to us every month. If it is something that we cut that is needed, there is a transfer process and there is a process of coming back to us. There are means. What I am trying to do is reducing amounts that we can touch, because if you go through the Fire budget, we cannot touch all of the salaries, rank-for-rank, Temporary Assignments (TAs), scheduled overtime, and pretty much everything. What we can touch is what I am proposing, some cuts and hoping to exert some control. Are they the perfect cuts? I do not work as an accountant for the Fire Department or I am not in management for the Fire Department. Who knows what a truly perfect cut is to make from this body? That is why it is so difficult. I wish we had the revenue source to continue to allow Fire and Police to grow double the amount over the next ten (10) years; I hate to make cuts. Like I said, I have a lot of friends and family that work for the department and they work hard and are great people, but we have a job here and this job unfortunately tells us that our taxpayers are the second highest for paying taxes in the nation. What are we going to do? I am going to try and do something. If I cannot achieve it, then we move on.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: If I could just get the Administration up, I think it is HR, to answer my question about holiday pay. I know the minimum amount of firefighters

is in question, so I just want to make sure that if I vote on this that we are not going to be coming back to the table on it.

There being no objections, the rules were suspended.

Ms. Rapozo: I am sorry, what was the question?

Councilmember Chock: So the cut is \$500,000 from Regular Overtime-Holiday Pay and my question is if that is within our purview. I believe that holiday pay is part of collective bargaining.

Ms. Rapozo: Holiday pay would be at overtime for whoever works the holiday, so I think hearing Councilmember Kagawa, he is saying that the question is staffing: how many would you put on there on the holiday?

Councilmember Chock: What is the minimum?

Ms. Rapozo: That would be a question for the department.

Councilmember Chock: So we have the option to utilize this \$500,000 cut in the way that Councilmember Kagawa is asking and it just depends on what the minimum allowable is according to the standards.

Ms. Rapozo: That would be from an HR standpoint and I think operations-wise, that would be a Fire Department question.

Councilmember Chock: Chief, can you answer that question?

ROBERT F. WESTERMAN, Fire Chief: For the record, Robert Westerman, Fire Chief. I really apologize. I did not know that we were going to have this discussion today, so if you could kind of phrase the question so I will try and respond.

Committee Chair Kaneshiro: Let me say this—so the proposal on the floor right now is a cut to Regular Overtime-Holiday Pay of \$500,000 and a cut of \$100,000 in Other Services to the pilot contract. Councilmember Chock is asking a question regarding holiday pay.

Councilmember Chock: I think ultimately, the request here would be that we revisit the minimum amount of firefighters in order to control the holiday pay or decrease the holiday pay.

Mr. Westerman: Well, the amount of firefighters has no impact on the holiday pay; it is whether or not they take off. So unless you reduce my staff, there is no way to reduce the holiday pay. The holiday pay really is an estimate of what we think they are going to take through the year. Unless you want to deny them holiday, I do not know how we could reduce that any more. As part of the overtime, it is really kind of an estimate, because we do not know how much they are or are not going to take.

Councilmember Chock: Right. So they have the choice and it is within their purview to take the holiday pay. That is what the \$500,000 is there for.

Mr. Westerman: Yes.

Councilmember Chock: It is not an administrative call to say, "We are going to put a minimum of three (3) firefighters on duty rather than five (5)."

Mr. Westerman: We already do that.

Councilmember Chock: Okay.

Mr. Westerman: We reduce staffing on a daily basis down to three (3) in some cases in the station. We try and maintain the National Fire Protection Association (NFPA) average of four (4) in the station in at least ninety percent (90%) of the time or better. In some cases, we have three (3) in each station. Like you are saying, there are times when people take off and we do not bring in an overtime person, but holiday pay...that is not what holiday pay is. Holiday pay is when they take the holiday, we have to pay them the holiday pay. Overtime would be dollars that are used to replace them if we put them on staff, if we bring them in for that day. For the \$100,000 for the helicopter, we use every bit of that. If you cut that, that is our parts. The \$395,000 or \$397,000—sorry, I do not have the budget in front of me—but that is the operating costs for the contract and the \$100,000 is for parts.

Committee Chair Kaneshiro: Yes, you are correct, Chief.

Mr. Westerman: Yes, the \$105,000 is for parts. Right now, we are replacing \$68,000 for the rotor blades. In any one year, we could have an exorbitant amount of costs and any one year we get through with the minimum of parts.

Committee Chair Kaneshiro: Do we have any further questions? Actually, we have three (3) minutes to break, so let us just take the break now. If we have questions, we will come back with questions. If not, we will have our final discussion and take the vote. We will take a ten-minute caption break right now.

There being no objections, the meeting recessed at 10:57 a.m.

The meeting reconvened at 11:13 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We are on a cut for \$500,000 from Fire Regular Overtime-Holiday Pay and a \$100,000 cut to Other Services-Helicopter. Any further questions? Councilmember Yukimura.

Councilmember Yukimura: Thank you. So this cut is from how much money and how closely have they been budgeting is my question? Do we know?

Mr. Westerman: In the same line item last year, we spent \$907,000.

Councilmember Yukimura: What is in the budget today?

Mr. Westerman: \$842,000.

Councilmember Yukimura: So you had to make transfers?

Mr. Westerman: Going back, I apologize because I came into the conversation late and giving me the opportunity to look at what is going on, but holiday pay in this line item is only \$10,000. The overtime pay is \$842,000.

Committee Chair Kaneshiro: It says holiday pay is...

Mr. Westerman: \$831,000, I am sorry and overtime is \$10,000 for \$842,000.

Committee Chair Kaneshiro: Yes.

Mr. Westerman: We spent \$907,000 last year. Again, it is really not an item that we have control over.

Councilmember Yukimura: So you spent more than was budgeted last year?

Mr. Westerman: I would have to go back and look at what was budgeted last year.

Committee Chair Kaneshiro: In 2017, they spent \$909,000 approximately. Last year, budget was \$668,000.

Mr. Westerman: So we are trying to save in these areas as much as we can, but again, it is one of the ones that it is kind of an estimate because we do not know exactly who is going to take what when, and then to try and manage, as you said before, Councilmember Chock, how do we manage the staff that is available? Can we get down to three (3) on certain days?

Councilmember Yukimura: Chief, regarding the helicopter pilot project, the \$375,000 is the contract cost and the \$105,000 is the equipment cost or the replacement parts?

Mr. Westerman: Replacement parts cost, yes. Also, as part of their contract, they have to do inspections when they fly, so we do more flights, more inspections, and thereby, the hour rate, so that costs comes out of there.

Councilmember Yukimura: I am sorry, what kind of inspections?

Mr. Westerman: It is an inspection on the airframe when they fly. So at the end of a flight day, the mechanic has to inspect the airplane and make sure it is cleared for flight. So those are done. Then also, through the year, depending on how much

we fly, there are a series of inspections. At one hundred (100) hours, they do a certain level of inspection, which is not a lot compared to maybe a 200-hour, 300-hour, or even a 600-hour inspection, which might take a couple of days to do a 600-hour inspection.

Councilmember Yukimura: Okay.

Mr. Westerman: So that comes out of that \$105,000.

Councilmember Yukimura: Do you pretty much spend it all during the year?

Mr. Westerman: Pretty much.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: Are we getting money back from the State? Is any money going back into our budget from the State for doing rescues on State land, which we mostly do?

Mr. Westerman: No.

Councilmember Brun: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions for the Administration? If not, I will call this meeting back to order. Any final discussion? Councilmember Yukimura.

Councilmember Yukimura: Can I ask one more question? Did we ask for money for our helicopter...it is a follow-up to Councilmember Brun's question, but did we get it in this year's budget?

Mr. Westerman: I do not know. I was actually going to try and make a phone call today to see where we are, but my understanding is it is there, but there is no guarantee until they finally pass their entire budget.

Councilmember Yukimura: Are they still in session? Okay, so it is final as far as the legislature is concerned and the Governor would have to release, but it does first have to be approved by the legislature, so we do not know that information right now.

Mr. Westerman: But you are right, that is kind of our give-back and that is what we use when we went and asked the State to help fund that \$1,500,000 for the hangar, was because of all the work we do for the State.

Councilmember Yukimura: Yes, I know it is not exactly on point, but actually if we can save some CIP and if it is not bond money and it is general fund money, we could move it. That is okay. Thank you.

Committee Chair Kaneshiro: Any further questions? Councilmember Kagawa.

Councilmember Kagawa: So if I look at this budget, where do I find the regular overtime? Is it under premium pay?

ROSE BETTENCOURT, Administrative Officer: Rose Bettencourt, Administrative Officer. It is under the Operations budget. It would be the same one as the Regular Overtime. The Regular Overtime includes the holiday premium and the regular overtime.

Councilmember Kagawa: So this \$831,000 is the Regular Overtime?

Ms. Bettencourt: No, it is the Regular Overtime and the holiday premium.

Councilmember Kagawa: Do we have a breakdown of the split?

Ms. Bettencourt: It should be split.

Councilmember Kagawa: How is the \$831,000 split?

Ms. Bettencourt: Was \$10,000 for Regular Overtime? Then \$800,000 plus for the...

Committee Chair Kaneshiro: Page 150, on the bottom.

Councilmember Kagawa: So we only pay \$10,000 in Regular Overtime?

Ms. Bettencourt: No, we do not.

Councilmember Kagawa: Where is the rest?

Ms. Bettencourt: If there are other moneys, we can absorb it from...we do...it used to be, at one point if I am not mistaken, the \$125,000, but got reduced as years went out, so it is now at \$10,000.

Councilmember Kagawa: Okay, so if somebody calls in sick and we have a person to replace, he gets paid overtime, right?

Ms. Bettencourt: Yes.

Councilmember Kagawa: So what line would that money come out of? Just the \$10,000?

Ms. Bettencourt: That line item, yes.

Councilmember Kagawa: That covers all the stations?

Ms. Bettencourt: Yes.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Just a follow-up to Vice Chair's question; do you draw from another source first before you draw from that?

Ms. Bettencourt: No, we draw from the original line item. That is where it comes from first. Just as a note for holiday premium, it is by collective bargaining the employee's choice to take pay premium for the holiday or take it as comp time. We cannot do a forced holiday off for our employees, so that is why the budget is that large.

Councilmember Yukimura: So is it the case that they often take comp time, rather than holiday pay?

Ms. Bettencourt: No.

Mr. Westerman: Comp time just becomes a liability on the books later on, so it is actually better to pay the overtime now than the comp time later at a higher wage scale. Again, they have the option to choose which one they choose. We are down to \$10,000 in overtime. I know it seems kind of weird that we only have that much overtime, but as we went through the rank-for-rank adjustments, we started reducing our overtime costs because the rank-for-ranks were managing to take care some of that overtime.

Councilmember Yukimura: So the cost shows up in rank-for-rank rather than...

Mr. Westerman: Well, there are some overtime; that is what rank-for-rank is, is an overtime. We reduced our overtime budget because of the rank-for-rank increase because it took the place of some of those overtimes.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I apologize because I am confused. So dummy this down for me—we have the rank-for-rank bucket and that is for when somebody is out, you bring someone in and they are going to work at that rank and get paid that overtime, coming from that bucket.

Ms. Bettencourt: For the rank-for-rank, yes.

Council Chair Rapozo: Correct. If the person works on a holiday or if you are like the Police where you are off on a holiday, your first day back to work, you have the holiday pay. Has that changed?

Ms. Bettencourt: You are right.

Council Chair Rapozo: That comes out of the holiday line?

Mr. Westerman: Yes.



Council Chair Rapozo: So really, there is nothing else...the \$10,000 is very deceiving because it is \$10,000 and obviously that cannot carry any department for a year. But your overtime funds are coming from rank-for-rank and from holiday. Are there any other overtime expenditures that are not rank-for-rank or holiday?

Mr. Westerman: Currently in this budget, and it is in every budget...it just depends on the level because there is overtime in the training budget when we have a recruit class, and that is about \$50,000 a recruit class. So this year, we are about \$120,000 overtime in training, but that is only in there when we have the recruit class.

Council Chair Rapozo: Right, but that is already in another bucket, that is in the training bucket.

Mr. Westerman: Yes.

Council Chair Rapozo: My question is what would you use this \$10,000 bucket for? In what scenario would we use the \$10,000 bucket?

Ms. Bettencourt: If an employee is directed to take equipment from one station to another and on his way back to his other station, we pay overtime. If they have a fire and it extends after their normal work hours, then they get overtime for that.

Council Chair Rapozo: Okay, so that is what that \$10,000 bucket is for?

Ms. Bettencourt: Yes.

Council Chair Rapozo: Okay. Is that sufficient or are you drawing from other accounts?

Mr. Westerman: When we run out, we just draw it from other accounts.

Council Chair Rapozo: For me, I need to know what is the direct break down, how much is really for rank-for-rank, how much is really for those post-shift? It does not make sense for us to pass a budget of \$10,000 knowing that...let me ask this question—how much did we spend in those post-shift overtime scenarios in the last year and the year before? I think that is probably the better question to ask.

Ms. Bettencourt: I believe it may have been over \$100,000.

Council Chair Rapozo: Yes, that is what I am thinking because there is no way you are going to fund that department for post-shift with \$10,000.

Ms. Bettencourt: Yes.

Council Chair Rapozo: So now, you are telling me that you are taking \$100,000 from other sources, which means are we over-budgeting those other sources? Should we take \$100,000 from rank-for-rank and put it into an overtime account? I think

what Councilmember Kagawa is saying is for us to be accurate and figure out exactly where our dollars are being spent. We know that \$10,000 cannot be true, there is no way. What is the true rank-for-rank number; what is the true post-shift number; what is the true holiday number; and what is the true training number? Like Councilmember Kagawa said in the breakroom, there is no sense in having a budget if we are just rubberstamping and everyone is transferring money all throughout the year. What is our rank-for-rank budget? What should it be?

Mr. Westerman: When we build our budget the first time, we build it to absolutely the maximum needed for every single scenario, the entire rank-for-rank if everybody took the rank-for-rank. Then we cut that. We are not funding our entire rank-for-rank possibility; we are only funding about eighty percent (80%) of our rank-for-rank possibility. Holiday and all of those are guesses. We do not know exactly who is going to take off when, who is going to work the holiday, and who is not going to work the holiday. We start with the maximum and then we actually work our way backwards. We say, "Do you think we can afford to not fund one hundred percent (100%), but only fund seventy-five percent (75%) of that?" That is pretty much what we have to do, because year-to-year, like I said, we do not know who is going to work, how many night alarm premiums, and all of this stuff that gets involved...this is not a traditional "9 to 5 job." Let us put it that way. We cannot say, "No overtime, nobody can work overtime" where you can just pick one of the "9 to 5 jobs" and say, "We are not going to work overtime because if we do not clean the bathroom today, we are going to clean it tomorrow."

Council Chair Rapozo: I am not criticizing the numbers.

Mr. Westerman: I am just saying that most of it is estimates and we try and come off of the high and try and get what we think is a good estimate for the next year. I agree—I would like to know exactly how much my costs would be.

Council Chair Rapozo: I guess the bottom line is that the \$10,000 is not a good estimate.

Mr. Westerman: No.

Council Chair Rapozo: That is not even close to a good estimate and that is where I think the concern is. What is a good estimate? Councilmember Kagawa is going to snap when I say this, but if, in fact, you are being underfunded in overtime. When I look at \$10,000, I just know that is just not enough. Let us say you are pulling \$50,000 from rank-for-rank at the end of the year and \$50,000 from holiday, because those were estimates that were estimated above what you used; should the budget not reflect that? Should the budget not reflect a reduction of \$50,000 in the rank-for-rank and a reduction of \$50,000 in your holiday, and an increase in your regular post-shift overtime for \$100,000? That is all I am suggesting. That raises a lot of questions. Again, I am not criticizing the numbers because I believe that is your entitled pay, your rank-for-rank and the holiday pay. I understand how that works. Post-shift—I want to make sure we get that covered and you are not pulling from somewhere else. Thank you.

Committee Chair Kaneshiro: Any further questions? I will call this meeting back to order. Any final discussion? Councilmember Brun.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Brun: Thank you. I am going to commend Councilmember Kagawa for making this big cut. I guess in this budget, it is hard to cut public safety because we know we need it. I was having a talk with one of my fireman friends and he said, "You folks all can bash on us and not like us, but when you need us, you are going to really need us," and that is what we are looking at. I had some thoughts of cutting and I had a really good talk with him. What is concerning me today is exactly what the Chair just brought up. We put \$10,000 in for overtime budget and we know that is not enough, we spent \$100,000. It is kind of concerning because how much other stuff in here is padded? We can pull from someplace else without coming back for money, so somehow there is extra money in this whole budget that we can use throughout the year and that is what is kind of concerning for me right now. It is a little rough. We know that there is extra money in here because we only put \$10,000 for overtime and that is not going to be enough and we heard it again today. That is what is kind of alarming for me and I just wish we would have a more accurate budget so we know where the money is going. I think being here for a year and a half, I think everybody's concerns for how many years about padding the budget and using the money somewhere else and always moving the money around...I think that was a big concern of the Council every single year. I have a real big concern about that, only \$10,000 for the overtime budget. There is money someplace else that we do not know about. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: For me, like I said, this is trying to exert some accountability. We have a growing budget with Fire and Police. It seems like they are racing each other of who can grow the most. When you double over a ten-year period, in looking forward to our children that will turn into the next generation, it is concerning if we continue to just rubberstamp what they want, rather than put some controls like my cuts and have the process of this legislative body work so that if we did cut too much, there is a process that they can prove to us with actual numbers of measures that were taken by management to try and achieve a more fiscally responsible budget. Our job here is to work the budget. Yes, I know if I was on the other side of the railing, I would feel like, "Wow, you do not even know what we do," because we do not. But that is the way our Charter was written and that is the way most municipalities work, is trying to exert control over spending so that our taxpayers are not overtaxed. When you are ranked the second highest in the nation for taxes next to the state of California, we need to make difficult decisions and set-up safeguards so that we have some control or we may as well not even be here. For me, is it the right place that I am cutting? No, but there is a process to fill the gaps by areas that maybe have some padding. Again, there is a process that allows you to come back and fix the problem, given evidence that things have improved. You have seen the overtime reports. We all have. If we need to bring it up again, you can see it. There was a captain making \$90,000 in salary, pulling in \$140,000 for the year—\$50,000 in overtime. If that is not concerning...yes, the job is important and it may have all been legitimate, but sitting as a layperson here on this body,

being elected to safeguard and watch the public's money, you need to ask the questions and you need to put in some controls so that we can dig deeper. By not making any cuts, we have nowhere to dig. I have total respect for the Fire Department and nothing is personal; I am just trying to do my job. Hopefully, beyond this, we can just move forward. However the votes fall, they fall. Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair. I appreciate the attempt for us to...this is our job...our job is to look at how it is we can best manage the budget. A couple of budgets back, we asked to break out overtime because we were looking at that figure, and that is indeed what has occurred and that is what we are looking at. I think when we think about \$10,000 to \$100,000 as the post-shift overtime, versus what the true cost of overtime is that is embedded in rank-for-rank, embedded in holiday pay, embedded in night alarm premiums and hazard pay, and everything else that is outside of the purview of our regular budget. If we want to really make a dent in this, then we have to look at what the root is of where we are spending this money and it is not in that \$10,000 to \$100,000 section. It is in the bigger allotment that is being negotiated every year and I think this Council, if any Council, has addressed that already. We tried to say, "Look, pay attention to this. This is what we should be looking at." I appreciate it because I think you folks have done everything that we asked you to do in trying to break it out so that we can get a clearer picture of where we need to be paying attention to. If we, as a Council, want to make an adjustment to it, then we really need to focus on the area that we need to. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: As Councilmember Chock pointed out, the compensation is not just in terms of salaries, but in terms of all of these buckets, like rank-for-rank, overtime, and hazard pay. All of those areas deserve some amount, but the question is how much? That really is addressed during the collective bargaining approval and that is where our point of control is. If we do not exercise the point of control at that time, then we are having to try to do this, which is quite disruptive to operations. I really appreciate Vice Chair's scrutiny of this issue and his revelation about when you look closely, what the implications are, and I concur with him and with Councilmember Chock that our responsibility is not just to look at the issue in its smallness, but in its impacts to the whole department and to the whole County and to our taxpayers. That is the time. I support putting some controls and limits on the expenditures in this department where the total annual compensation is around \$80,000 a year. Then it goes up and up with all the higher ranks. Vice Chair said earlier that we cannot touch salaries, but we can touch salaries when the collective bargaining pay raises are before us to approve and disapprove and that is the time where we have to exert our concern and our responsibility. It is hard for me now to vote for this amendment and that is because we did not really address it at the time of collective bargaining, but I followed the Vice Chair and I supported his motion to deny and disapprove and so did Councilmember Chock. But because it did not pass, we are here today struggling, because I think it was at least \$1,000,000 additional this year or something close and then subsequent year for a two-year contract I think.

Committee Chair Kaneshiro: Any other discussion before the vote? If not, roll call vote.

The motion to cut funding in the amount of (\$500,000) from Regular Overtime-Holiday Pay and to cut funding in the amount of (\$100,000) from Other Services-Helicopter Pilot Contract was then put, and failed by the following vote:

FOR MOTION:	Kagawa	TOTAL – 1,
AGAINST MOTION:	Brun, Chock, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: Any other cuts? Councilmember Kagawa.

Councilmember Kagawa moved to cut funding in the amount of (\$230,000) from Regular Overtime-Training, seconded by Councilmember Yukimura.

Councilmember Kagawa: I feel like we can exert our power as a Council to try and regulate the expenditures of overtime, as well as everything else, like operations and management overall. I know we help in a lot of ways...we do CPR training, fire alarm installing for the needy and elderly, and we do permit inspections. To have the budget in totality growing at the rate that it is, I think it is necessary that we look at streamlining the Fire Department into necessities and perhaps trying to utilize other agencies to do things maybe as volunteers or hiring permit clerks at half the price. I believe that if we can just focus on the main functions, we can have a fire department that I do not have to come up with cuts. I am hoping that we can get this \$230,000 cut from the Regular Overtime in the training side, perhaps just trying to achieve more of the training during regular working hours and maybe that could also help. That is all I have and I am ready to vote.

Committee Chair Kaneshiro: Any questions? Councilmember Yukimura.

Councilmember Yukimura: You do not include in here Prevention and I think we heard the use of overtime for their educational programs, like the prevention trailer.

Committee Chair Kaneshiro: This one is in the Training department and prevention is in Prevention so it is separate.

Councilmember Yukimura: Yes, so there is nothing drawing from that.

Councilmember Kagawa: I have not cut from Prevention. This is my final cut. I think kind of along the lines you have seen where we had an overtime line with \$10,000. Again, they have the ability to transfer any possible fat from other areas to cover on really needed overtime that fills out the model of what the Fire Department is all about. This is the only way...because we do not work in the department and because we do not manage the

department, it is very difficult to find the exact proper cuts that would really be the easiest, and unfortunately, that is the make-up of our system that we have.

Committee Chair Kaneshiro:            Councilmember Yukimura.

Councilmember Yukimura:            I am sure this took quite a bit of work to try to even propose. I want to say that I am also concerned...it is such a good project that our firefighters are helping elderly install fire alarms, but when overtime is involved, that is really expensive overtime. It is the same thing with Prevention. When our firefighters are used and we are paying them overtime to do the prevention program, even if it is wonderful and educational for our kids and could save lives, the question is, is there a more cost-effective way to do that to execute that program? Can we use community volunteers so that you do not...or even people at a lesser pay rate to do that kind of work that does not take the kind of firefighting expertise that we are paying for every hour that our firefighters are doing this work. I may vote for this as a symbolic gesture because I know it is not going to pass, because I do not want to interfere with operations, but I would like the message to get across to say, "Hey, can you think of a more cost-effective way?" It is the same thing with Police. Are there functions that can be performed by others without such an expense?

Committee Chair Kaneshiro:            Let me say, "Be careful what you wish for," because I actually had a cut very similar to Councilmember Kagawa on this one. It was not as big, mine was only \$100,000. But looking historically at the Training Bureau Regular Overtime, we can see that they run pretty much around \$200,000 a year. They budgeted \$246,000; a \$230,000 cut will bring them down to \$230,000. For me, I am willing to go with the cut.

Councilmember Yukimura:            Are you talking about your proposed cuts or this one?

Committee Chair Kaneshiro:            This one.

Councilmember Yukimura:            I see. Thank you.

Committee Chair Kaneshiro:            Councilmember Kagawa always talks about his crystal ball, but I do not think it was working that well on this one. Again, I would not assume what the votes are. It is hard to know what anybody is going to vote, where they are going to vote, and what proposals are coming up. For me, it is part of the discussion and I am actually in favor of this cut, so I will throw that out there. Councilmember Chock.

Councilmember Chock:                I have a question. One of the cuts, and maybe this is for the Fire Chief, is for \$10,000 for "Health and Wellness." Is that Health and Wellness for personnel or is that part of what I am understanding is the...

Committee Chair Kaneshiro:            Let me throw this out there, because I proposed a similar cut and when we look at it, we do not have the detail for every single line item, so we do not know how much you are spending out of mandatory training sessions, \$46,000. For me, when I looked at it, I wanted to cut just regular overtime, but the staff was saying that we have to cut it by detail and being that we do not get the detail on it, staff just assigned

detail to it. That does not mean that if Fire wants to spend money on any one of these, they cannot move money around with the remaining \$230,000. I just want to make that clear. Ideally, it would be better to just say that we are just cutting regular overtime, but we had to do it by line item and unfortunately, we do not get the detail on the individual line items.

Councilmember Chock: My question is really about what Councilmember Yukimura was talking about with the community assistance. Is that in here under Health and Wellness? I am just wanting to know if that is in Prevention or Training.

Mr. Westerman: What Councilmember Yukimura was talking about is in the Prevention Bureau.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Thank you. Year-to-date on the budget that we just got provided to us on the 6<sup>th</sup>, year-to-date for this entire section of overtime is \$179,183. I am assuming that is as of May 6<sup>th</sup>, 2018, so that gives us another two (2) months from May and June, right? The fiscal year starts July.

Ms. Bettencourt: It may be sometime in April only.

Council Chair Rapozo: These numbers?

Ms. Bettencourt: Yes.

Council Chair Rapozo: Okay. I noticed that the original budget, \$433,000, so basically, it stayed the same. What is the anticipated need for that increase from...even if we went on a six-month spending...even if this was a six-month number, you are looking at about \$360,000 and the request is for \$462,000. Is that the training academy that is going to be held?

Mr. Westerman: Part of that is, Council Chair. This recruit class did not start until March, so we are anticipating that spending to increase as we get through to the end of the year.

Council Chair Rapozo: That is the \$100,000?

Mr. Westerman: That is the current class going on right now. Those expenses are just now starting to hit. If I may, when you talk about the expenses and the different programs, what we did several years ago was to make sure we could get every program on an every other year recurring requirement. Some of these programs are mandatory and if we cut them, we are still going to have to absorb the cost, like the helicopter training. We have to have that training. So what we did is cut it in half so that we did half of them one year, we did not do it the next year, and we did the other half of the training we need on the next year. Some of the requirements are mandatory every year. If you cut the Emergency Vehicle Operator Course (EVOC) training, then we cannot drive our fire engines.

The State mandates that we manage our own EVOC programs so that we can have Commercial Driver's Licenses (CDLs) to drive our fire engines and we have to maintain that every year. So almost every program we have in training is a requirement somewhere. It is either NFPA, Occupational Safety and Health Administration (OSHA), or any one of a number of programs for our training. We also looked at...there is an opportunity to do stuff during the day and we are doing that now...we just got TargetSolutions going, so we will be able to pull some of the training time down by being able to do some of the training online via the TargetSolutions program, but that program has not started yet. We have it purchased, just got it loaded, and we are just now starting with those training sessions. That will help bring it down.

Council Chair Rapozo: We funded that quite a while ago and it was quite a lot of money. That has not been implemented yet?

Mr. Westerman: It just got implemented.

Council Chair Rapozo: Again, I am just looking at the numbers. Last year's training overtime was...what was the end of year last fiscal year? Does anybody know?

Committee Chair Kaneshiro: In fiscal year 2017, it was \$193,000.

Council Chair Rapozo: That was the total?

Committee Chair Kaneshiro: Regular Overtime.

Council Chair Rapozo: Is that what was spent? I know that is in the budget.

Committee Chair Kaneshiro: That was spent.

Council Chair Rapozo: Okay.

Committee Chair Kaneshiro: The prior year, 2016, was \$203,000 and the prior year to that was \$183,000. When I checked the historical run, it has been about \$200,000 a year.

Council Chair Rapozo: Okay. Have we increased the trainings? I am looking at the list right here and you have a ton of training. Again, the largest is the recruit training at \$100,000.

Mr. Westerman: Three (3) times it has been a recruit class, so the increase now is because of the double recruit class. That is a \$100,000 increase over the \$200,000. In looking at the list that you have here, the rest of them are pretty much the standard requirements for the year to attend the training. Wellness and fitness in this case is...that is our wellness and fitness program for our firefighters to making sure that they are fit. We put them on notice every year and they get their physical...actually, I just had my physical this morning, and they have a testing that they do to make sure they are fit. It helps them identify where their weaknesses are so that they can provide the service to the



community. Certifications for Self-Contained Breathing Apparatus (SCBA) technicians...it is an OSHA requirement...it is not a lot of money, but it is an OSHA requirement. Some requirements like the helicopter and the diving, part of the issue there is you cannot do it at the same time. In other words, you cannot dive one day and fly the helicopter in the same day, so those are kind of trainings that have to be done off-shift so they are not working that day for that shift; they do one or the other that day and then the next shift that they are off, they will do the other one.

Council Chair Rapozo: What do you anticipate spending this fiscal year, come end of June 30<sup>th</sup>?

Mr. Westerman: I am sorry, I was not prepared to answer that question. I am assuming somewhere around \$250,000 to \$300,000 with the increased cost of the recruit class.

Council Chair Rapozo: That is what I am thinking, but I look at the request of \$462,000, so I think that is...

Mr. Westerman: Again, we are not getting some of the other training done right now, so hopefully all of those other trainings will get done and then the rest of the costs would be increased.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Thank you, Mr. Chair. I think I have heard a good explanation, and once again, I am going to thank Councilmember Kagawa because I think of any Councilmember, he has been the most prudent and the one that has taken a look at where he can actually make some cuts to the cost of government. But I am hesitant to make any type of cuts to training and I will tell you why: one, just for the explanation, but all it takes is for us to be negligent and somebody to find out that we had cut from training and this dollar amount could grow exponentially in the form of lawsuits that we are going to be faced with. That is the one thing that I am very concerned about is that we send people that are untrained and somebody gets hurt, and then we have a family member of a firefighter or perhaps a victim that was being rescued and having their family now put that price tag on the back of every single taxpayer out there in this County. I see the merit of it, but as far as training, I cannot emphasize the importance of training. I know that it is costly, but it is really risk mitigation as far as potentially avoiding any potential lawsuits, which this County has been plagued with. When you take a look at the lawsuits that we have been plagued with, a lot of it is because of operational errors. With that being said, Mr. Chair, I am not going to be supporting any cuts to any type of training. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Chief, when we have these trainings, if there are on-duty firefighters, they attend those trainings on-duty. Is that correct? They are not getting overtime, right?

Mr. Westerman: Some, yes.

Councilmember Chock: It just depends on where the location is.

Mr. Westerman: We cannot take everybody on-shift and do the training all with everybody on-shift because then we have nobody to respond. With certain trainings, we are allowed to bring folks in or if the training is not an all-day training, rotate a crew from one station to come in, do the training, and then another station for the next second half of the day. We try to do that as much as possible.

Councilmember Chock: So is comp time also an option for training as well?

Mr. Westerman: Comp time is always an option. Again, it is the employee's decision.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Thank you. I do not see the proposed cut as being a cut in training because I see all of the training, but I also look at the historical trend and it does not look like anything is being cut. I guess the real question is between the number that...let us even say \$300,000...let us say, "This fiscal year, we will spend \$300,000 in training." The request is for \$162,000 more than that; where is that going to go? What is that going to be used for? It is not about cutting. I do not want to cut training at all. I do not want to cut the budget so that you have to give up training. You are asking for \$160,000 more than you think you will spend this year. That is all the question is. I do not want to cut your training if it is going to cut "training," but if it is just extra money that is there, because again, going back to the other overtime that we have to find money to fill the buckets, then I have a concern. The extra \$162,000, providing that we even make it to \$300,000 this fiscal year, what would we be able to use that for?

KILIPAKI VAUGHAN, Deputy Fire Chief: Good morning. Kilipaki Vaughan, Deputy Fire Chief. Currently, we are fourteen (14) firefighters short on the line and that was because of retirement that happened at the end of last year. That means that there is not enough instructors through each day to take off the line. So obviously, you have to either pay overtime or comp time for the instructors to come in, but the size of this class is the biggest one we have ever had, fourteen (14) firefighters coming in. So we had to split the class and we have actually taken the initiative to shorten the length of the class from seven (7) months to six (6) months so that we would save on overtime. We have actually built-in a cut there, but by virtue of the fact there are fourteen (14) firefighters, we had to split the class for span of control. That was basically what Emergency Medical Technician (EMT) talked about is that we can only have about ten (10) people in there at one time.

Council Chair Rapozo: Okay.

Mr. Vaughan: So we have done that. At the end of this year, we anticipate another eight (8) to ten (10) firefighters short. So now you are talking about training a third class at some point and that is probably that extra...

Council Chair Rapozo: A class is about \$100,000 to run for the duration?

Mr. Vaughan: Yes.

Council Chair Rapozo: So that would be the difference in the \$300,000 and the \$462,000?

Mr. Vaughan: Yes.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Any other questions for the Administration? If not, any final discussion before we take the vote? Councilmember Chock.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Chock: I know we talked about this earlier that it is about what seat you sit in and the perspective that you are in, but fortunately for me, I do have some insight on this having gone through all of these trainings and understanding the actual importance of it. My concern is very similar to Councilmember Kawakami, in terms of safety. I can say firsthand that I think we would be putting our public safety officers at-risk if they did not participate in these because of constant updates to safety. We got some real specific examples in these trainings about what happens, how things go wrong, and how people die. I have a hard time supporting this at this time. In some ways, I am hoping that this...I would love to hear more as things progress in terms of how we can continue to curb having to pay on the overtime in order to achieve the training, but to say that we cannot do the training is just not an option for me, so I will not be supporting this cut. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: For the reasons that Councilmember Chock and Councilmember Kawakami explained, that is why it would have been much better to deny the collective bargaining raises, then we would have more money for training.

Committee Chair Kaneshiro: We have to be honest that even if we voted "no" on collective bargaining, I do not think it would be a zero percent increase in fire salaries.

Council Chair Rapozo: Chair, can we just stick to the...that is the third time that I have heard about the collective bargaining and that is not even an issue right now. Can we just focus on the budget?

Committee Chair Kaneshiro: Yes. For me, I stand by my decision. I looked at this budget very carefully and my cut is not as big as Councilmember Kagawa's, but I do see

that if you look historically, they have had hundred thousand dollars in training over the years and the number still ends up around \$200,000. I am not advocating for no training; I am just saying that if they are doing all the training in 2015, 2016, 2017, and 2018...if you look at 2018, if they are at \$179,000 now and you divide it by ten (10) months, they have a \$20,000 run every month, is how much you are spending in training. At the end of this year, they would end up around \$220,000, even though the budget is \$480,000. That is a \$260,000 difference, so that is where I see that there is some cushion in this budget to cut. Again, it is not a line item...we are dollar-funding a lot of these trainings, but that does not mean that they cannot move money there. The only reason we are dollar-funding it is because we do not know what the budget is for these individual line items. If we had that, then we would probably have all kinds of different numbers in here. We would have a \$5,000, a \$60,000, but we do not. So you look at the training in totality...again, training is not something that I want to go out and say, "Yes, we are cutting Fire's training so that they do not get training." No, historically, the training budget has been over-budgeted and I see it as an area that we can possibly cut the budget. If they need more money, they will try and find the money within their budget and it will be a good test to see, "Next year, did they have to reallocate money like how Police did in the prior year?" We cut overtime and then we saw the transfers coming in during the year where they were transferring in regular salaries to help cover that overtime cost. It would be the same way here. We are not advocating for no training; it is just that historically, the actual to budget on this line item has been over-budgeted and underspent. Councilmember Yukimura.

Councilmember Yukimura: To the extent it is used for overtime for things like these great projects of installing fire alarms or teaching our kids fire prevention, we would really like to see more resourceful thinking about how the personnel can be managed.

Committee Chair Kaneshiro: Any further discussion? Councilmember Kagawa.

Councilmember Kagawa: I would like to thank Rose, the Chief, and Kilipaki for being here with the answers. We take the vote and if you believe that you are for this less than one percent (1%) cut in trying to...not hamper the department safety-wise, it is to give them the opportunity to try and live within the means of a cut that I think is achievable. We already heard that there are means where sometimes they are over-budgeted in this area and that area, but if you feel hesitant that it does put the public safety into jeopardy and into a bad position, then just vote "no" and let us move on.

Committee Chair Kaneshiro: Any other discussion? If not, roll call.

The motion to cut funding in the amount of (\$230,000) from Regular Overtime-Training was then put, and failed by the following vote:

FOR MOTION:	Kagawa, Yukimura, Kaneshiro	TOTAL – 3,
AGAINST MOTION:	Brun, Chock, Kawakami, Rapozo	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: Any other cuts to Fire? I had a smaller cut on that same item, but I do not want to take the same vote on it, so I am not going to introduce it. Any other cuts for Fire? Any cuts to Emergency Management? Any cuts to Public Works?

Council Chair Rapozo: I have some position cuts, but we will see how it goes. I know it did not go well during the last budget. I think through this year, you folks were able to see why...

Committee Chair Kaneshiro: It is General Fund, right?

*(Councilmember Yukimura was noted as leaving the meeting.)*

Council Chair Rapozo: Yes. I think throughout this last year, we could see why...I think the confusion with this position number, that position number, the moving, the relocating, the manipulation of positions, temporaries, and contract; so basically, I am using the same premise. If these positions have been vacant...are you folks leaving?

Councilmember Kagawa: I have an appointment.

Council Chair Rapozo: No, that is fine. Where did Councilmember Yukimura go?

*(Councilmember Kagawa was noted as leaving the meeting.)*

Council Chair Rapozo: Can we recess until she comes back? That is okay...because if she is not here, the vote is a "yes" vote.

Committee Chair Kaneshiro: Yes.

Council Chair Rapozo: Okay, good. Let us go quickly.

Council Chair Rapozo moved to remove Position No. 1439-Building Permit Clerk as the position has remained vacant for greater than 500 days, seconded by Councilmember Brun.

*(Councilmember Yukimura was noted as present.)*

Council Chair Rapozo: I think we heard some explanations, like, "We need that position because..." for whatever reason, which I never really understood, but the bottom line is that one thousand ninety-seven (1,097) days and they were not able to correctly classify that position so they could use it. If they are using that position number for other means, I think that it is time that they reclassify the position. That is all I have to say because I think we have had this discussion during the last budget and the same Members were at the table. My position has not changed. Councilmember Yukimura.

Councilmember Yukimura: Can we hear from Public Works?

Council Chair Rapozo: We heard from them during the budget.

Committee Chair Kaneshiro: The rules are suspended.

There being no objections, the rules were suspended.

LYLE TABATA, Acting County Engineer: Lyle Tabata, Acting County Engineer, Public Works. This position is funded by the General Fund, which has been dollar-funded because we are using the temporary position funded by the Building Revolving Fund and if we lose this, at some point we run out of funds from the Building Revolving Fund and we have no options to keep the position funded.

*(Councilmember Kawakami was noted as leaving the meeting.)*

Council Chair Rapozo: Or you could come back to the Council and ask for the position.

Mr. Tabata: It is not practical, but yes, that is an option.

Council Chair Rapozo: That is the process. Again, as we have seen how these position numbers have been used without Council approval, without public knowledge. I do not think that is right. One thousand ninety-seven (1,097) days is over three (3) years. It takes about six (6) weeks to create a position by going through the process, so if the Administration needs a position, they can come and ask the Council for that position. It is a trust issue and that is the reality of it. I do not like the way these position numbers are being used for things that are not in the budget and that is what bothers me.

Mr. Tabata: If I may answer, we have not used this position for anything but this.

Council Chair Rapozo: I am not referencing this position, I am referencing the practice in general for the Administration. I think the policy has to be consistent across the board and not one department, "you can keep that position and do not worry about it." I think it needs to be consistent across the County. Again, it is the people's budget, it is everybody's budget; it is not the Administration's budget. It is not fair when these position numbers can be utilized; again, maybe not with this position, but I believe that we should apply that policy consistently right across every department.

Committee Chair Kaneshiro: Any further questions for the Administration? If not, I will call this meeting back to order. Any final discussion? Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: I not going to vote for this removal of this Building Permit Clerk. I do trust Public Works and it is a lot of trouble to come back to the Council. We have this Revolving Fund that enables us to use the other position right now, but if we do not, we need this position and the impact on the budget is just a dollar.

Committee Chair Kaneshiro: Any other discussion from the Members? If not, we will take a roll call vote.

The motion to remove Position No. 1439-Building Permit Clerk, as the position has remained vacant for 500 days was then put, and carried by the following vote:

FOR MOTION:	Brun, Kagawa, Kawakami, Rapozo	TOTAL – 4*,
AGAINST MOTION:	Chock, Yukimura, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa and Councilmember Kawakami were silent (not present), but shall be recorded as an affirmative vote for the motion.)*

Committee Chair Kaneshiro: Motion passes.

Committee Chair Kaneshiro: Any more cuts for Public Works?

Council Chair Rapozo: I am sorry, I had this thing in order at one point. That is the last General Fund one.

Committee Chair Kaneshiro: Any other cuts for Public Works General Fund? Administration? Fiscal? Engineering? Building? Roads Maintenance General? Auto Maintenance General?

Councilmember Yukimura: This is separate from the GE Fund and Golf Course, right?

Committee Chair Kaneshiro: Correct. GE Fund and Golf Course will come up later. If not, we will move on to Parks. Any cuts for Parks?

Council Chair Rapozo: Can I ask for a short two-minute recess?

Committee Chair Kaneshiro: Yes. We will take a short recess.

There being no objections, the meeting recessed at 12:13 p.m.

The meeting reconvened at 12:15 p.m., and proceeded as follows:

*(Councilmember Kawakami was noted as present.)*

Committee Chair Kaneshiro: Welcome back. Council Chair, I think we might have a reconsideration.

Council Chair Rapozo: I will make a motion to reconsider. Councilmember Kawakami had to step out for an emergency call. I did not know and we did

not rush the vote and it went down. I understand the need for the call, so I will make a motion to reconsider so that we can open it up for a new vote.

Council Chair Rapozo moved to reconsider the motion to remove Position No. 1439-Building Permit Clerk as the position has remained vacant for 500 days, seconded by Councilmember Brun, and unanimously carried\* (*\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative vote for the motion.*).

Committee Chair Kaneshiro: The motion to reconsider passes.

Council Chair Rapozo: Okay. The motion is back on the floor. The motion is to remove the position. I call for the question.

Councilmember Kawakami: I would like to have some discussion.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: I would like to thank the Chair for obliging the motion to reconsider. The way that it works is if you are absent from the room, you are counted as a "yes" vote, and in this case, my absence...I take full responsibility. I had to take a phone call, but my absence counted as an affirmative vote, but I am in opposition to the removal of this position. Thank you, Mr. Chair.

Committee Chair Kaneshiro: Okay. Roll call vote.

Council Chair Rapozo moved to remove Position No. 1439-Building Permit Clerk as the position has remained vacant for 500 days, seconded by Councilmember Brun, and failed by the following vote:

FOR MOTION:	Brun, Kagawa, Rapozo	TOTAL – 3*,
AGAINST MOTION:	Chock, Yukimura, Kawakami, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa as silent (not present), but shall be recorded as an affirmative vote for the motion.)*

Committee Chair Kaneshiro: Motion fails. We are back on Parks. Any cuts for Parks, General Fund?

Council Chair Rapozo: I have one. Scott, can you pass out my list? This is removal for the same reasons, Position No. 1541, eight hundred sixty-four (864) days. Again, this is from March, so you can add on another couple of months. That is a \$59,000 position. Position No. 1856, one thousand seven hundred three (1,703) days. That is a



dollar-funded position. Position No. 1868, which is a \$57,000 position, and that is over a five hundred (500) day vacancy. Position No. 1827, which is a \$41,000 position.

Council Chair Rapozo moved to remove Position Nos. 1541, 1856, 1868, and 1827, as the positions have remained vacant for greater than 500 days, seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Any questions for the Administration?  
Councilmember Chock.

Councilmember Chock: Thank you. Do you have an explanation in the delay for filling these positions? Do you need it? Can we remove it? Do you oblige to what is on the table?

There being no objections, the rules were suspended.

IAN COSTA, Deputy Director of Parks & Recreation: *Aloha.* Deputy Director Ian Costa. Just so you know, Director Lenny Rapozo is hosting a quarterly park directors' meeting today on-island. I can give you a status report on the vacant positions, specifically Position No. 1541, which is an electrician position that I believe we reported earlier that we are having difficulty filling due to private sector market conditions and pay. So we are working with HR on a pay differential to be competitive. However, we are using that position currently and we are able to bring back one of our retired electricians on an 89-day contract. He is the only licensed electrician that we have currently. For Position No. 1856, although we have been unable, for the same reason, to fill that position, we do have an applicant and a scheduled interview tomorrow. For Position No. 1868, that has been vacant since December 1<sup>st</sup> and is on continuous recruitment and that is another construction trade employee that we are facing the same difficulty with, drawing from the private sector or having the private sector pay in high demand now and paying higher rates than the County does, but we still have that on continuous recruitment. What was the other one?

Council Chair Rapozo: Position No. 1827.

Committee Chair Kaneshiro: Janitor II.

Mr. Costa: I am sorry, I do not have that on my...I believe that is for the Emergency Operations Center (EOC)/Transportation.

Committee Chair Kaneshiro: Police/EOC/Transportation.

Mr. Costa: We are recruiting for that. I am not sure if HR can provide any further clarification on the recruiting process. We have been actively recruiting and trying to keep these positions filled.

Ms. Rapozo: On that particular Janitor II position, I believe what we have done is it used to be a truck driver position and we reallocated, I believe in last budget, to try to help with janitorial cleaning at the EOC and Transportation since they are longer hours of operation than just a normal office. I think what is happening is that through

all the janitors, anytime there is a vacancy, they do have to do transfers and it is just kind of a domino effect and this one has been left vacant until we get to fill all the rest. I think they have been trying to fill; some people have left, and then we have to go through the transfers again. It is just a process and I think have a list for that, so we can fill those rather quickly.

Mr. Costa: I believe that is also because of police requirements and going through background checks.

Ms. Rapozo: Correct. For that particular position, because it does operate out of the police station for cleaning, the police also does a background check on those applicants.

Committee Chair Kaneshiro: Any other questions for the Administration? If not, I will call this meeting back to order. Any discussion? Councilmember Yukimura.

Councilmember Yukimura: I think these positions are needed and I think the department is trying to fill them and I would feel really uncomfortable to remove them since we have a lot of buildings and facilities to maintain and upkeep. It is understandable that these trades are difficult to fill at a time like this where every business on this island is having trouble finding employees.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Every year, we hear the same thing, that it is hard to fill. But we fund them. Just this proposal is \$158,000 that goes into some bucket somewhere and just sits until the end of the year or becomes part of the surplus. There is no incentive really for anybody to do anything and hire. You cannot tell me that we do not have eligible people out there to fill a janitor position. Do you know how many people come up...I am sure you all get this when they come up and ask, "Hey, what do I have to do to get a County job? I put my paper in and renew every six (6) months, but they do not call." I am talking about labor, janitor, and park caretakers. You cannot tell me that is a hard position to fill. I am not buying that. As far as the other ones, if it was that important...entry-level plumber, Plumber I, \$57,000, plus forty-two (42) days of leave a year—you cannot get that outside in the private sector. Entry-level? \$57,230 salary, plus twenty-one (21) days of sick leave and vacation, plus holidays. That vacancy was over five hundred (500) days, over one (1) year, so I do not know what the problem is. Electrician, one thousand seven hundred (1,700) days...that is probably over five (5) years. Again, we hear this every year and every single year we sit here and say, "That is an important position." I give up. I tried this again last year and we could not get it and then we are back here with the same positions and the same answers. That is my plea and I will say no more.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Actually, the Chair makes compelling arguments. Why did you say the Janitor position at the police station is not filled? I know I heard that they have to do checks because it is in a sensitive area like Police...

Mr. Costa: Like HR reported, we recently converted a Park Maintenance position to that to provide better coverage at Police, EOC, and Transportation.

Councilmember Yukimura: So the new position has not been that long?

Mr. Costa: Right.

Ms. Rapozo: Just to add to that, we did try to hire...I know one for sure, but did not pass the background check.

Councilmember Yukimura: I know that entry-level positions all around this community are, right now, very hard to fill. People are closing their businesses during store hours because they do not have people. It is quite extreme. We could even fund it for half a year. If we assume you are going to fill it, we can give you the credit for that, but it is going to take half a year to really get all of the paperwork done and everything. How does that work?

Ms. Rapozo: I believe for that position, we actually have someone on the list right now. As he said, they are going to interview tomorrow.

Councilmember Yukimura: That is the electrician?

Ms. Rapozo: Yes. We are working with the department on a shortage differential, looking at how the State is hiring for their electricians. Whenever there is a shortage in the community and you can show that it has been very difficult to fill, you can give them a shortage differential. I believe the State of Hawai'i is giving their electricians a little over \$500 extra on top of their base pay as a shortage differential...as the need goes away, then the differential would go away as well. That is something that we are working on with the Department of Parks & Recreation right now.

Councilmember Yukimura: What is the plumber position?

Ms. Rapozo: I do not have too much information on the plumber position. I believe it is on continuous recruitment. I do not know if there have been any active applicants for that.

Councilmember Yukimura: How long has that been not filled?

Committee Chair Kaneshiro: December 11, 2016.

Councilmember Yukimura: Okay, so two (2) years. Ian, do you have anything to say about that?

Mr. Costa: No. That is correct.

Councilmember Yukimura: You are having a hard time finding?

Mr. Costa: Yes.

Councilmember Yukimura: How are you managing?

Mr. Costa: The plumbers we have...I think we have been responding to the need very well since we have taken over the Facilities Maintenance, but we are limited in the bodies that we have. We just responded to a leak we had in 'Anini yesterday and within a few hours, they got it repaired.

Councilmember Yukimura: What if we dollar funded that? You still have the position and I presume somewhere in the Parks budget you can find the money.

Mr. Costa: I think dollar-funding would always be preferable to eliminating the position.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I just wanted to state that I appreciate this discussion. I know that it must be frustrating for Council Chair to come back every year and go through this. I have struggled with this decision because I really understand some of the concerns you have, what could be occurring, and how the positions are being utilized. Along with that, I struggle with the context of where we are with unemployment and the lack of competitiveness that we are faced with as a County. I think about the amount of time for each of these positions, which are long. Even for us as a Council, we have struggled with filling the auditor position for years now. For me, the response is really a request for getting more clarity about what can we do to improve our chances. I know we talked about that a little bit in our budget discussion, but I think that communication gap and seeing updates on what is happening so that we can be ensured that everything is being done. I am talking broadly about every position that comes up, as we are going through them right now. I just wanted to state for the record where I am and why I will be voting against this at this point. Thank you.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Thank you, Mr. Chair. I can see the merit behind greater than five hundred (500) days, but we also have to take into consideration that five hundred (500) days ago, the unemployment rate was higher than what it is today. So if it was hard to recruit back then, it is exponentially harder to recruit today, as we speak, as it floats around two percent (2%). We have to look at when the trend of unemployment starts climbing back up and if this recruitment still has not been filled and this position has not been filled...it will be very hard for Parks & Recreation, Public Works, Fire, or whatever department that has vacancies that has not been filled for five hundred (500) days, it is going to be very hard for you folks to make a case that it is a recruitment issue. We are looking at a downward trend. Five hundred (500) days ago or over five hundred (500) days ago, the unemployment rate was higher. So if we could not recruit then and fill positions then, it certainly is more challenging today as it sits at two percent (2%). I am just sending a message out that should we start seeing an unemployment rate climb back up, the case of saying,

“Hey, we are recruiting and actively recruiting,” is just going to be a hard sell. At this point in time, I see the merit that it has been vacant for a long time, but I think the true proof in the pudding is going to be when we see unemployment climb back up to four point two percent (4.2%) to four point three percent (4.3%). Thank you.

Committee Chair Kaneshiro:                      Councilmember Yukimura.

Councilmember Yukimura:                      I would be willing to vote for a portion of this amendment and dollar-fund the plumber position, but I cannot vote for the rest. We could vote this down and maybe the Chair could propose just for that one position to dollar-fund it. That would save \$56,000.

Council Chair Rapozo:                      You can vote it down and you can introduce the amendment. This is my amendment and I am not going to introduce another one. This is it. I just want to remind everyone that the first position on this list, two point three (2.3) years, so it went through the cycle of high employment and low employment, the one right after that four point six (4.6) years, I think we have given them enough chance. I guess because I have been here every year, so I have seen it and heard it. I think we made that case the last budget...I thought we did anyway. I think the majority of the Council was not willing to cut positions, but I thought that message should have been received. If I was on that side of the aisle, I can guarantee you that I would be out pounding the pavement or coming in and saying, “We are going to come here with a dollar fund request because we just cannot, it is hard, unemployment,” or whatever kind of excuse. Again, this is \$158,000 of funding that could go to Councilmember Yukimura’s bus or to my bathroom. That is what bothers me. Councilmember Brun talked about it earlier today when the Fire Department was up here...he was going on a budget that was kind of lean, as far as I was concerned, that there is not that much fat, but there is fat everywhere in this budget, countywide. These are the kinds of things that create the fat. I think you get my point. These moneys that are locked up in some line item that will be used for something else could be used for stuff that we need to use right now in this upcoming budget. That is my take on this whole scenario.

Committee Chair Kaneshiro:                      For me, point taken, but I will not be voting for this proposal. We heard from the departments regarding needed electricians, but unfortunately, we cannot find one. I know that one of my friends was an electrician and he left, so I know how hard it is to fill those positions. Do we need electricians? Yes. I have seen us have problems with our lights downstairs and I have seen a lot of problems go on and we are down to one (1) electrician. For me, I will be voting against this proposal. We have always had a difficult time with trade employees. It is just the way it goes. I understand Chair Rapozo’s point of, “Are we going to keep this here? This will continue to lapse.” I understand, but if the opportunity came to hire an electrician, I think we should take it and should have that availability. Councilmember Brun.

Councilmember Brun:                      I guess for me, I know we are actively recruiting. I have the same guy calling me up five times already, he is a licensed electrician, applied, and did not get an interview yet, so hopefully that interview is for him tomorrow. I understand the Chair’s frustration and I know we are short on electricians so that is why I am going to have a hard time supporting this right now, because I know they are going to

interview and hopefully somebody gets the job soon. I am still debating on this one, but I know we need electricians, so it is going to be hard for me to cut the positions.

Committee Chair Kaneshiro: Any final discussion? If not, roll call vote.

The motion to remove Position Nos. 1541, 1856, 1868, and 1827, as the positions have remained vacant for greater than 500 days was then put, and failed by the following vote:

FOR MOTION:	Kagawa, Rapozo	TOTAL – 2*,
AGAINST MOTION:	Brun, Chock, Kawakami, Yukimura, Kaneshiro	TOTAL – 5,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was silent (not present), but shall be recorded as an affirmative vote for the motion.)*

Committee Chair Kaneshiro: With that, we will take a lunch break and return at 1:40 p.m. We will still be on the Department of Parks & Recreation.

There being no objections, the meeting recessed at 12:38 p.m.

The meeting reconvened at 1:47 p.m., and proceeded as follows:

*(Councilmember Kagawa was noted as present.)*

Committee Chair Kaneshiro: Welcome back. We are still on the Department of Parks & Recreation. Do we have any further cuts for the Department of Parks & Recreation? Councilmember Yukimura.

Councilmember Yukimura moved to dollar fund Position No. 1868-Plumber I, seconded by Councilmember Brun.

Committee Chair Kaneshiro: Any questions? Councilmember Kagawa.

Councilmember Kagawa: This is not a question, but for me, I am familiar with the process...I think we discussed it several times on the floor about the difficulties in retaining our plumbers and electricians and I think the Administration said they were going to try to work with the United Public Workers (UPW) to see what can be done as far as making adjustments so that the private sector is not so far ahead of the public sector in those areas. As you look at a lot of our bathrooms and restrooms...it is partly because of problems with people living there, like the homeless, et cetera. They take some damage and we have reduced these skilled positions; the complaints would definitely go up. So I want to keep that open simply because I know the importance of having our County continue to try and keep these plumbers, electricians, and carpenters. I know it is not easy to fill these positions when the private sector is paying so much better. So that is why I cannot support this cut, but I do

appreciate the cut in trying to reduce staffing. As the Committee Chair of Public Works / Parks & Recreation Committee, a lot of complaints that I get come before me, before it reaches Lenny and Ian. I get it that people feel comfortable calling the Council, so a lot of times, I am the messenger of the bad news to Parks that we have to fix this or fix that, and thankfully, I have gotten great responses over the past years as the Committee Chair of the Public Works / Parks & Recreation Committee. Basically, I do not want to cut my own neck off. Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: My intention is not to remove the position because I do believe it is necessary, but because they have not been able to fill it, I presume that when they can fill it, they will find moneys around and the position is still there to be filled.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Well said, I understand. Just like Fire, we heard that there is fat in areas that we have no idea where the fat is. I understand. Thank you.

Committee Chair Kaneshiro: Any further discussion? If not, roll call vote.

The motion to dollar-fund Position No. 1868-Plumber I was then put, and failed by the following vote:

FOR MOTION:	Brun, Rapozo, Yukimura	TOTAL – 3,
AGAINST MOTION:	Chock, Kagawa, Kawakami, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: Any further cuts for Parks & Recreation?

Councilmember Kagawa: Yes. Now, I will cut off my own neck.

Councilmember Kagawa moved to remove Position Nos. 9534, 9541, 9661, 9210, and 10108-Park Caretaker I, seconded by Council Chair Rapozo.

Committee Chair Kagawa: My reasoning is that I think I just feel funny about allowing the outgoing mayor to add positions this late in his term. I think a better process would be to leave it to the next mayor and the next council to decide whether adding positions in these tough times makes the most sense. For me, I am just having difficulty in supporting adding...I mean you are the mayor for ten (10) years and you are going to add in your nine and a half (9.5) year...I have a little difficulty supporting that at this time. If it truly was a solution, I would have hoped that it would have come a little earlier in his ten (10) years. Thank you, Chair.

Council Chair Rapozo: I have a question.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: When you say “new positions,” are these new in this fiscal year?

Committee Chair Kaneshiro: These are the ones that were moved from Housing, Human Resources, and the Office of Economic Development. This is for the district caretakers of Kawaihau, Lihū‘e, Hanapēpē, and Hanalei.

Council Chair Rapozo: Okay.

Councilmember Kagawa: If I can add, it would be nice for the new mayor to decide that should they need it, to have some positions to choose good people that can benefit the County for a long time. The Mayor has had nine and a half (9.5) years of doing this and I think allowing the next mayor, whoever it may be, to have this option of adding so that we can do a better job of taking care of our parks, which we receive a lot of complaints. It is highly used. We have bad users out there. We have a lot of great users, but we have a lot of bad ones as well. Just being able to keep up the standard of where we want it to be, but like I said, I feel uncomfortable supporting it when he is outgoing already. Thank you, Chair.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Please refresh my memory—these are new positions, so a “body” is not there, right?

Committee Chair Kaneshiro: These are positions that were either dollar-funded or did not have a body in them that were moved from Housing, HR, and OED to Parks.

Councilmember Yukimura: For the purpose of district supervision?

Committee Chair Kaneshiro: They wanted additional bodies at the parks.

Councilmember Yukimura: We will hear from Parks.

Committee Chair Kaneshiro: You can ask the Administration if you want to, but I do not think it is a supervision position. It is just an additional caretaker at each of these parks. You can ask them because I do not want to make up a story either. That is what I remember. I will suspend the rules if you want to ask Ian.

There being no objections, the rules were suspended.

Councilmember Yukimura: Ian, could you explain the justification?

Mr. Costa: Deputy Director Ian Costa. This was in response to the Mayor’s request to try and address better cleaning of restrooms, primarily in our heavily-used beach parks. These new five (5) positions would be just focused on bathrooms



and they would primarily work...I think they would start at 10:30 and work to 6:30 in the evening to cover restroom use during the peak noon to evening times, from Hā'ena to Waimea.

Councilmember Yukimura: So it would mean that the restrooms would be cleaned more times a day than presently?

Mr. Costa: Right. That is primarily to the response of over-demand of those beach park restrooms, and like Councilmember Kagawa pointed out, largely abuse.

Councilmember Yukimura: Did Parks do an analysis to show that they could not do this kind of cleaning with existing personnel?

Mr. Costa: Yes, to some degree. The existing park personnel start at 6 and end at 2. This was to bridge that afternoon/evening use, again, primarily focused on only cleaning the bathrooms.

Councilmember Yukimura: So 6 p.m. to when? 10 to 6? What is the shift of the existing personnel?

Mr. Costa: 6 to 2.

Councilmember Yukimura: It is 6 to 2?

Mr. Costa: Yes.

Councilmember Yukimura: So after 2, it can get trashed, but there is no attention...

Mr. Costa: Until the following morning. We created two (2) positions in recent years to do this to cover the 10:30 to 6 at Lydgate Park and at Po'ipū Beach Park because of heavy usage and those seem to be working for us, at least at those two (2) parks.

Councilmember Yukimura: You did sort of a pilot at Lydgate and Po'ipū and that is showing to have better results?

Mr. Costa: Yes, at least providing coverage throughout the usable day.

Councilmember Yukimura: Yes, like Salt Pond, for example.

Mr. Costa: Salt Pond would be one of these that would be covered in this new...Salt Pond, 'Anini Beach Park, Black Pot Park, Hanalei Pavilion, and Hanamā'ulu Beach Park. Hanamā'ulu closes at 6, but...

Committee Chair Kaneshiro: I have a follow-up. Currently, what are the Hanalei district park employees doing being that Black Pot and Hā'ena...I do not know if Hā'ena is getting used much at all. Black Pot obviously is getting zero use.

Mr. Costa: Right. I think we are finding that what dropped-off at Black Pot has actually moved over to the pavilion. So the pavilion is kind of getting overwhelmed right now. Much of the commercial activities, which involve boating, surf schools, and we need to take some action on that, but that is temporarily being run through the pavilion, not by authorization of us, but just...

Committee Chair Kaneshiro: Are they going to Hā'ena also and maintaining Hā'ena right now or is it...

Mr. Costa: Yes. We have a caretaker that is on that side. She is maintaining Hā'ena.

Committee Chair Kaneshiro: Okay. Councilmember Brun.

Councilmember Brun: With this schedule...since the peak time is noon to 6 or something...

Mr. Costa: Peak is probably between 10 and 2 to 3.

Councilmember Brun: So instead of adding another person there, did we ever try just making the current person start at 10 to 6...during the morning shift when it is not that busy, have somebody come in later and do the work later.

Mr. Costa: I think we would have to work with UPW to do that, but that is a possibility that we could look at. Usually that morning cleaning needs to be done at that early time.

Councilmember Brun: I have another question. These positions that were taken from different departments, I think we kind of got a clue that it was needed in different departments, but it was taken out. So if we cut this, these positions will be gone. What can we do to put these positions...we cannot do anything to do that...put these positions back to where it came from?

Council Chair Rapozo: You can do an amendment.

Councilmember Brun: Okay. That was my question. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Ian, how many Park Caretakers do we have islandwide right now in the County?

Mr. Costa: I am sorry, I do not know that number offhand.

Council Chair Rapozo: How much do we have out on leave, on injury, and on sick? Do you have that number?

Mr. Costa: No, I do not.

Council Chair Rapozo: Is it a significant number?

Mr. Costa: No, I do not think it is a significant number out on sick or...

Council Chair Rapozo: Or on extended leave or...

Mr. Costa: No...at least on IA...

Council Chair Rapozo: On any kind of extended leave or stress leave?

Mr. Costa: No, I do not believe that is a significant number.

Council Chair Rapozo: Okay. So the Caretaker right now is responsible for cleaning the toilets and doing everything else?

Mr. Costa: Yes.

Council Chair Rapozo: These new positions would just clean bathrooms?

Mr. Costa: Yes.

Council Chair Rapozo: What would that leave the other caretakers?

Mr. Costa: They would still do the bathrooms at their regular...I believe they clean it first thing in the morning and a second cleaning by about ten o'clock.

Council Chair Rapozo: What do they do in between the cleanings?

Mr. Costa: They take care of the grounds for those parks that are assigned permanent caretakers. Other than that, we use our Beautification Crew to go by, pick up trash, and do whatever is assigned.

Council Chair Rapozo: This is not Beautification though, right? This is a different crew?

Mr. Costa: Park Maintenance, yes.

Council Chair Rapozo: So in addition to these people, you have Beautification as well, right?

Mr. Costa: Beautification goes around to those unassigned parks that do not have caretakers assigned.

Council Chair Rapozo: I know you mentioned the UPW if you change...if you change the work schedule, you have to go through UPW to get their approval or just let them know?

Mr. Costa: Yes.

Council Chair Rapozo: So if they say “no” then we cannot change the schedule?

Mr. Costa: I do not know if they can really say “no.”

Council Chair Rapozo: That kind of baffles me that if we have an operational change for the betterment of the community and the union is going to come in and say “no” that we cannot do that...

Mr. Costa: I do not believe they can say “no,” but there is a process where we need to let them know and vet any comments.

Council Chair Rapozo: For each of these employees, the salary is \$41,400, that is just base. Then you add the fifty percent (50%) for the benefits and all of that, that is \$60,000 a year. Again, that is not counting overtime, that is just straight time. So you have one (1) caretaker who is responsible for cleaning bathrooms, grounds, and everything else, trash. Then you have this other caretaker who is just responsible for cleaning bathrooms. How does that pan out at \$41,000? That is a lot of money. Is that the entry-level for a Park Caretaker?

LEONARD A. RAPOZO, Director of Parks & Recreation: For the record, Director of Parks & Recreation, Lenny Rapozo. That is the entry-level, so we are talking about the five (5) positions that we are requesting?

Council Chair Rapozo: Yes.

Mr. Rapozo: If you look at the job descriptions of a Park Caretaker, their primary focus in the beginning or their focus is mowing, weed-whacking, and landscaping. The bathrooms part is about...it is a lower percentage of what their job duties are. What we did as a trial/pilot project at the super parks at Lydgate and Po‘ipū is there was a need for some focus on bathrooms, so we reversed the description of the positions so that their focus was on bathrooms first and everything else comes with it. So it is not to say that this \$41,000 is just bathrooms—yes, it is bathrooms, that is their main focus, which is to clean the bathrooms and make sure that we do not have another complaint of having a dirty bathroom, which we have not had at Lydgate when we tried this project out and at Po‘ipū Beach Park. The reason they are coming in at Thursday is to prep the park to get ready for the weekend when a lot of our families are at the facilities and they get done on Monday, because it is after the weekend to return the park back to its cleanliness state that it should be in. So these five (5) positions that we are asking is to focus on bathrooms, yes,

but sometimes during the year, like when it is raining, they are not going to have that much people in the parks. Then they can do other things, such as the weed-whacking, the landscaping, and all of that. But their primary focus will be bathrooms so that it provides the user with additional cleanings throughout the weekend, which we believe is the highest usage.

Council Chair Rapozo: So this crew would be working over the weekend?

Mr. Rapozo: From Thursday through Monday. That is what we have been doing, from 10 a.m. to 6:30 p.m. That is not to say that in the morning they will not have their normal cleaning—when the morning guy comes in, they will still have those cleanings, but this should provide additional cleanings at these facilities.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Any other questions?

Council Chair Rapozo: The real question, and I do not want to go there, because I think we got the answer during the budget discussions, was the losing departments that are losing these positions. I think that was the cause, as Councilmember Brun talked about, that there was a need and now they are left without the body. That is the only concern that I have right now.

Committee Chair Kaneshiro: Any discussion from the Members?  
Councilmember Brun.

Councilmember Brun: That is what we heard during the budget that these positions were needed, but it seems like it is needed by the Parks Department also, so this is going to be a hard one trying to cut and trying to add. I do not think I can find enough money to add more positions in a different department. I am going to have to really think about this one.

Committee Chair Kaneshiro: The add will be five (5) votes also. Any other discussion from the Members? I guess I will state my position on it so that nobody is guessing, but I actually had the same cut as Councilmember Kagawa. My rationale was the same. This Administration is going to have six (6) months of the budget and then there is going to be a completely new administration with six (6) months of the budget. We have had this budget item. I have not seen it until now. The parks' bathrooms have been an issue over the years and for me, I would rather leave it to the future administration to decide what they want to do. If they think that they can attack the problem with the current level of staff or if they need to add more, then I think they can come back and add more later when the new administration is here. That is just my own personal opinion. I will be supporting this cut. Any further discussion? Councilmember Yukimura.

Councilmember Yukimura: I am torn too because I think clean bathrooms are really important and it appears that in the pilot project, it has been working. The summer is coming and I do not know that I want to wait another year to have clean bathrooms. I

would be willing to do a compromise to fund a couple more, like for Salt Pond, and then continue to monitor how it works, and then have them come back for more.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: The thing is that we do not get to choose where they go. These positions are designated by districts. It is not like you are going to be able to say, "We are going to pick one position there for Salt Pond." It is a district position, so you are approving a position that is going to be for the entire district.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: If I can ask Lenny, if we fund even one extra one, can you give it to Salt Pond as a priority given it is a regional park?

Mr. Rapozo: Councilmember Yukimura, we looked at trying to be efficient and trying to have someone that would be not only with one park. So in that district, we anticipated based on traveling time and the needs that I think we would get more for our money if we assign them to continue to do Hanapēpē, Salt Pond has two (2) restrooms, and Lucy Wright has one (1), so that would be four (4) comfort stations, and within a reasonable distance that they would be able to continuously clean.

Councilmember Yukimura: Yes, so Salt Pond would be included, right?

Mr. Rapozo: Yes.

Councilmember Yukimura: I do not think it would be very efficient to assign somebody only to Salt Pond, that you would make sure that Salt Pond is taken care of and then do the others. I think that is the big regional park on the west side.

Mr. Rapozo: Yes.

Councilmember Yukimura: I would like to see that, so if we can at least keep one (1) position. Then we have Lydgate and Po'ipū, which are the other two big regions. I think Black Pot would be the other, with 'Anini and the others, but that is a pretty changing situation, unstable situation.

Committee Chair Kaneshiro: Right now, we are voting on eliminating all five (5).

Councilmember Yukimura: Well, can we do a friendly amendment? I guess let us just vote on the current and then I might come back.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Thank you, Mr. Chair. I played my fair share of sports and the teams that I played on were always losing teams. I played for the Līhu'e Jets and I think we won one (1) game with Coach Nanbu, and I remember one game against Kōloa,

we were down by forty (40) points and we kept on calling a timeout just because we wanted to get a few more hits in and the referee was asking, "Why are you folks calling timeouts? Do you folks know what the score is?" That referee was Lenny Rapozo. The lesson of playing through one hundred ten percent (110%) to that last whistle blows or until you finish the finish line rings true, and just because this Administration only has a few months left, and granted that they are at the end of their administration and their service, the one complaint that we have heard besides roads and traffic is the cleanliness of our comfort stations at parks. I cannot, in good conscience, vote against this when all along we have been saying that we have to have clean restrooms. I get it and it is awkward as to why these positions are popping-up at this point in time, but just thinking about that fundamental rule of if they are going to lead, lead all the way though the final whistle. That is the reason why I am going to support keeping this in. Thank you, Mr. Chairman.

Committee Chair Kaneshiro: For me, I just want to say that I have been to Po'ipū Beach and Lydgate and the bathrooms are nice, the whole facility is nice. I do see the value in it. Again, for me, I will let the future administration decide what they want to do on it and that is my vote. Any further discussion? Council Chair Rapozo.

Council Chair Rapozo: I have a problem with the amount. I do not want to diminish the work of our caretakers, but it just does not seem like it warrants another \$200,000. Remember, this is just salary. Does this include the benefits? It does not include the benefit, so you are looking at about a \$300,000 impact to the County. I am astounded that the entry-level is \$41,000. That is quite high. The other concern, and I have an amendment and it depends on what happens with this amendment here, but I have one that is being drafted that will replace those positions back to where they were. I do not think it is fair to those departments to take them for Parks and then coming back later in the fiscal year to ask for those positions back because they need them. So it is going to be difficult for me to support this one today.

Committee Chair Kaneshiro: Any further discussion from the Members?

Ms. Rapozo: I just wanted to clarify on the starting pay. The budgeted amount actually takes into account all of the different raises that are upcoming, as well as I believe a \$1,000 lump sum payment. So that is not necessarily the starting pay.

Council Chair Rapozo: What is the entry-level pay for a BC-2?

Ms. Rapozo: Let me get my computer.

Council Chair Rapozo: That is where I get confused. I did ask that question specifically and I was told that was the starting pay. I did for Public Works and I did not for Parks, but since the last quarter...the fourth quarter of fiscal year 2016-2017, which takes us to about a year ago; just in Public Works, the transfer of \$358,000 from unexpended salaries, \$358,000 that were transferred out of salaries for other purposes. Councilmember Kagawa talked about how we hold the line, we are the checks and the balances, and this is actually what occurred. That is what we approved on this body for salaries that were never used for salaries. This fiscal year alone, up until now, is \$225,000. I am very hesitant to put in money into salaries when we do not know if we are going to fill

them. We have heard from everybody how difficult it is to fill positions now. What makes us think that we are going to be able to fill these? I think we have to really pay attention to that. Whatever we approve that does not get used for salaries is used for something else that we do not have any clue, which the public has no clue, too.

Ms. Rapozo: On June 1<sup>st</sup>, they have a raise scheduled. So starting June 1<sup>st</sup>, it will be \$40,176.

Council Chair Rapozo: That is the salary?

Ms. Rapozo: That is the base salary.

Council Chair Rapozo: Okay, so we are not far off. Thank you.

Committee Chair Kaneshiro: Any further discussion? For me, I was taking into consideration that I do not think Black Pot Beach is going to have much maintenance for a little while, so we have extra manpower there. Of course, Black Pot workers may not be able to go all the way to Salt Pond and work, unless you give them a different detail on a certain day, but my rationale was that Black Pot is not going to get maintenance and those maintenance workers can also be spread out for a little bit. Any further discussion? Councilmember Kawakami.

Councilmember Kawakami: I have a question out of curiosity since we are talking about park-caretaking—Lenny, do we have a guideline or some sort of standard of striking the right balance as far as how much park space we have per capita, per community? Is there a number that communities strike for? Do we have too much parks? It is the one question that I keep coming across, which is the maintenance of the parks. We have a lot of parks to take care of, but is there a national standard of how much recommended park space we have, either per capita or per geographical mile, square footage on the island?

Mr. Rapozo: There is, but unfortunately on Kaua'i, the amount of park space is just determined by what the County purchases or is given to it. The north shore is one that is vastly small in terms of the overall acreage of parks. Park standards normally are ten (10) acres per caretaker, but it depends upon what we are asking that caretaker to do. Of course, if you have a stadium where it is more of a high detail in terms of maintenance, it will increase your labor cost per acreage. In that sense, the north shore, in terms of acreage, is very small compared to other places in this community. In trying to strike a balance between what we are asking for, we looked at the travel time and the parks that it needs to be served. Of course, this proposal was done before the rain event, so we did not know that Black Pot and Hā'ena would be a challenge at this point. It was just based on what we have. Now with that being said, I totally understand that things have changed, so we could delay the position in terms of funding to six (6) months, three (3) months, or whatever this body wants/feels its pleasure to be. I do not know where the positions came from. That was not like we said, "We are going to take positions from here, here, and here." We provided the need, the proposal, and we looked at the reasons thereof and justified and the budget team said, "This is the time that we need to try to do what we have been doing," because you folks hear it and we hear it regarding the complaints about bathroom use in the parks. Yes, there are standards. If you had a chance to look through our annual report,



every park has a designation from one to four, and in those designations, it decides what level of maintenance should be done at every park. Because some of the parks now are...the usage and the demand from the public...there are some parks...let us take Anahola Village Park—custodial services, when that park was established as a neighborhood park, it was four (4) times a week, one (1) comfort station. But we all know that kids play soccer there and the grass has to be cut every two (2) or three (3) weeks and rubbish needed to be done four (4) times. But the demand has changed, although that is the guidelines that when we established the person that is going to take care of Anahola Beach Park, Anahola Village Park, and Clubhouse Park, that was the standard and needs and that is why there is one (1) park caretaker in that district. That is what was expected of him. We always talk about more with less—well, he is doing more than what he originally was hired to do. When you ask about standards, yes, there are; but as community needs change and the demand for it changes, we try to make that adjustment to meet those demands.

Councilmember Kawakami: Did you guys ever do an assessment of parks that you would consider, say, perhaps decommissioning it to an affordable housing project? Are there passive parks out there that are just a burden and maybe they are only used by people that are hanging out, doing unruly things? Have you done an assessment of our inventory to say, “Do we perhaps have a park that is not serving its purpose, that is perhaps just a burden on our department?”

Mr. Rapozo: The Housing Director and I have had those conversations, but I do not think there is a park that is not being used. There may be one park out in Hanamā‘ulu that we talked about, but it does not fit in to being accessible to all of the services within the town core that is what they look for, and that is a whole other conversation.

Councilmember Kawakami: Even if it is not completely decommissioning an old park, but...I am sorry, I am going off on a tangent. I will bring it up later. I think it is a bigger, broader discussion that we can throw on the agenda. Thank you.

Committee Chair Kaneshiro: Any further discussion? If not, roll call vote.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to remove Position Nos. 9534, 9541, 9661, and 10108-Park Caretaker I was then put, and failed by the following vote:

FOR MOTION:	Kagawa, Rapozo, Kaneshiro	TOTAL – 3,
AGAINST MOTION:	Brun, Chock, Kawakami, Yukimura	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion fails. Any other cuts for Parks?  
Councilmember Yukimura.

Councilmember Yukimura: Staff is preparing it...I want to add...

Councilmember Kagawa: It is not an add.

Committee Chair Kaneshiro: We are on cuts. The motion failed, so these positions are staying in the budget.

Councilmember Yukimura: Okay. Can we move to reconsider? I voted the wrong way.

Councilmember Yukimura moved to reconsider the motion to remove Position Nos. 9534, 9541, 9661, and 10108-Park Caretaker I, seconded by Councilmember Kagawa, and unanimously carried.

Committee Chair Kaneshiro: Okay, so we are retaking the same vote again. Roll call vote.

The motion to remove Position Nos. 9534, 9541, 9661, and 10108-Park Caretaker I was then put, and carried by the following vote:

FOR MOTION:	Kagawa, Rapozo, Yukimura Kaneshiro	TOTAL – 4,
AGAINST MOTION:	Brun, Chock, Kawakami	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion passes.

Councilmember Yukimura: Chair?

Committee Chair Kaneshiro: Is it an add?

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: You are going to have to wait for the adds. Any further cuts for Parks? If not, we will move on. Elderly Affairs? Housing? Transportation? Transportation – General Excise Tax? Cuts?

Councilmember Yukimura: Just sole cuts? Not cuts and adds? Okay.

Councilmember Kawakami: I have a quick question. What do you mean by sole cuts? Are we going to have a section where we cut and add?

Committee Chair Kaneshiro: The cut and add combo will come after this and a cut and add combo will take five (5) votes to pass.

Councilmember Kawakami: Then we have a “pure add” section?

Committee Chair Kaneshiro: Pure adds takes five (5) votes. So we are trying to group all of our decisions by the number of votes it takes without trying to confuse everybody.

Roads – General Excise Tax? Roads – Administration? Auto Maintenance? Liquor? Solid Waste – Beautification Fund? Wastewater?

Councilmember Kagawa: I have a Solid Waste cut.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa moved to cut funding for Other Services-Kekaha Landfill Operation in the Solid Waste Disposal Division in the amount of (\$1,000,000) and reduce use of fund balance in the amount of \$1,000,000, seconded by Councilmember Yukimura.

Councilmember Kagawa: This is the same as Police and Fire, my large cuts to Police and Fire. The Solid Waste is the third largest budget in our County next to Fire, with Police being number one. For me, it is trying to put them on a financial tightening of the belt and open up the dialogue and let us let them sharpen their pencil and try and fit their work to the budget. I think one could say over the past six (6) years that Solid Waste has probably been the poorest performing department in the entire County with a lot of the mistakes that have been made and negligence of improving some of the things that were obvious from before, like our problems with compactors and what have you. So I just think it is an under-performing department. We do not even have a leader at this point and we are trying to recruit one. I know that Lyle and Mike have really tried to step in and keep things going without problems, but I think this \$1,000,000 cut will allow this Council to have a better handle on Solid Waste, and should they need to have additional funds throughout the year, let us have them come back with a money bill and let us see their performance before giving them more funds. This is a large cut and they know where their fat is. We do not. Unfortunately, this is the best way I can see to make a significant cut and to send the message from the Council that we are restricting some of your funds. You are not receiving the full amount that you want, but we are here through the money bill process to consider any addition throughout the year, but you need to show us improvement. You need to show us that you can do a better job and I have not seen that. Thank you.

Committee Chair Kaneshiro: Any questions for the Administration? I have a question. I will suspend the rules.

There being no objections, the rules were suspended.

Mr. Tabata: Lyle Tabata, Acting County Engineer.

Committee Chair Kaneshiro: So this line item, Kekaha Landfill Operation of \$2,500,000, what is that line item for?

Mr. Tabata: That is what we pay the contractor Waste Management to operate the landfill.

Committee Chair Kaneshiro: Okay.

Mr. Tabata: That is a fee based on the total tonnage we receive.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: How long does that contract last?

Mr. Tabata: It is an indefinite contract, it is ongoing. They are the qualified manager, as required by the State Department of Health and the Environmental Protection Agency (EPA) to operate the landfill and we supply the labor to operate the landfill.

Councilmember Kagawa: So they are the only ones?

Mr. Tabata: They are the oversight.

Councilmember Kagawa: Are they the only ones that can perform this?

Mr. Tabata: No, there are others, but we have a long-term contract with them.

Councilmember Kagawa: Why would we enter into something that perhaps when a better one comes up, we can change? From what I hear, we pay them an awful a lot of money and they do not do anything. That is what I hear. Again, we are just laypeople over here. "All they do is they watch us throw rubbish in the *puka*, throw dirt on the *puka*, and start again the next day."

Mr. Tabata: That is the perception, but the reality is that they are accountable for all of the accountable actions to meet our regulatory needs. They complete all of the annual reporting and regular groundwater testing. The list goes on. The contract was entered at the beginning of when Phase 2 was constructed, I believe back in the early '1990s. We can get you more information if you would like. As of this point, I understand your concerns and we have been working to address them.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: How long is the contract with them?

Mr. Tabata: It is an indefinite contract, so there is no end date.  
Maybe Mauna Kea can help me.

MAUNA KEA TRASK, County Attorney: *Aloha.* For the record, Mauna Kea Trask, County Attorney. If I may just have a brief moment.

Committee Chair Kaneshiro: While Mauna Kea looks up the question, are there any other questions for Lyle? Councilmember Yukimura.

Councilmember Yukimura: Lyle, the contracts, \$2,500,000 for Kekaha Landfill Operation, is that the contract amount you are talking about?

Mr. Tabata: Yes.

Councilmember Yukimura: Is that a fixed amount or is that a monthly...

Mr. Tabata: It is variable based on the total of volume delivered.

Councilmember Yukimura: Okay.

Mr. Tabata: There is a penalty if we under-deliver of volume. Then after the base point, we pay extra for whatever is delivered in excess.

Councilmember Yukimura: Do we not renegotiate the amounts? Our goal is to reduce the amount that goes to the landfill, so hopefully we are not being penalized for doing that. Are we?

Mr. Tabata: The potential is there with the way the contract is written.

Councilmember Yukimura: I guess we are not doing much to increase diversion, so we do not have to worry.

Mr. Tabata: I do not think that is something I should answer.

Mr. Trask: Real briefly, so Contract No. 4308 was originally entered into on September 23, 1993 with Sanifill Hawai'i. There has been thirteen (13) subsequent amendments and Waste Management...was it like an (inaudible) or something like that? I am not sure, but now it is Waste Management. When it was entered into, it was for the opening, operation, closing, and post-closure work for the landfill. In 1997, there was kind of a landmark case in Hawai'i called the "Konno Decision" and UPW sued the County of Hawai'i...I think it was for the Kealakehe Landfill and they said, "You cannot privatize jobs that were traditionally civil-servant." So all landfills now became this really convoluted type of process whereby they provide equipment and training, but we provide the employees and the management. Although they oversee, they cannot discipline and it is a very messy process. It is just a difficult contract to deal with. We had discussed various options for years regarding how to best proceed, maintain this contract, and interpret it. That is all I can really say today without going beyond the agenda. It is a cumbersome contract to say the least.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: So if we save this \$1,000,000, we can use \$500,000 for something else and try to work on this contract?

Mr. Trask: You are the County Council, so you can do pretty much whatever you want...

Councilmember Brun: I mean without bringing in the lawyer stuff, but it is kind of...

Mr. Trask: Well, the Office of the County Attorney always advocates that you would speak with the department, see what they would have to say, they have the technical expertise, weigh that against your *kuleana* and what you have to do, and do what you feel is best.

Councilmember Brun: Okay. Lyle, do you folks feel that these folks are living up to what we are paying them for? Are you folks satisfied with the service that we are getting?

Mr. Tabata: We are working with the contractor...work with the contractor is ongoing and taking the funds away will...correct me if I am wrong, would void our ability to pay. Then I believe it would put us in a difficult situation.

Councilmember Brun: Thank you.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Thank you, Mr. Chairman. We have Waste Management, which is our contractor that is in charge of doing the testing, making sure that we are in compliance, so do they bear the liability or are we still on the hook for the liability on the compliance of this landfill? That is the big question for me. If there is value in keeping the contract, but if there are the ones that are going to keep this in compliance, why put our taxpayers on the hook? That is a key point in negotiating a contract, in my opinion.

Mr. Trask: After the Konno decision, everything kind of became conflated. Before, it was easy. We gave them the contract and the County really had nothing to do with anything. It was all their *kuleana*. With Konno, the indemnification liability section, section seven something rather, are liable up to a certain point for what they do, but not for what we do that is negligent or grossly negligent. It is not an easy contract to interpret.

Councilmember Kawakami: Because it is "*hapa*," right?

Mr. Trask: Exactly.

Councilmember Kawakami: We get public and private.

Mr. Trask: It is like a "Frankenstein."

Committee Chair Kaneshiro: Any other questions for the Administration?

Mr. Tabata: If I could clarify, the additional funds in the line item, the post-closure numbers are in there, which we are bound to by our financial auditors, we have the Host Community Benefits. We fund that through here, the Host Community

Benefits, so it all comes from this bucket, as well as now, we are adding the operation of the landfill gas collection system, which we are bound by the EPA to bring online this year.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: Is that all coming out of the \$2,500,000?

Mr. Tabata: The total line item for the Other Services is \$4,300,000.

Councilmember Brun: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions? If not, I will call this meeting back to order. Any final discussion? Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: I should have explained that this cut is not going to be going into the Open Space or whatever; it is going to stay in the Solid Waste Fund. I felt that we have an under-performing division that needs to exert better fiscal management. They have a \$20,000,000 budget, and for me, when I consider them under-performing for years, to not exert any...regardless if it is just a cut within the Solid Waste Fund, if you do not exert any fiscal constraint or control, then what you are doing is you are "okaying" their mistakes of the past. By doing this measure, this will force Solid Waste, because they know they will need it to fund their contract, if we cut \$1,000,000, they are still \$1,500,000...that takes them past half a year in projection. They can come back to us and maybe the amount that they need is less than \$1,000,000 because they have looked internally and have become better at budgeting and knowing what is necessary and what is unnecessary. By just approving their full request that they want, then I think we are just saying "just keeping mistakes and we are okay with it," which I am not.

Committee Chair Kaneshiro: Any further discussion? If not, roll call vote.

The motion to cut funding for Other Services-Kekaha Landfill Operation in the Solid Waste Disposal Division in the amount of (\$1,000,000) and reduce use of fund balance in the amount of \$1,000,000 was then put, and failed by the following vote:

FOR MOTION:	Kagawa	TOTAL – 1,
AGAINST MOTION:	Brun, Chock, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Councilmember Kagawa: Can I check my batting average right now?

Councilmember Yukimura: Stick to baseball.

Committee Chair Kaneshiro: Any further cuts for Solid Waste? I know I moved through it fast. Sorry, Councilmember Kagawa. Wastewater? Wailua Golf Course? CIP? So we are done with the individual cuts. Are there any cuts to multiple departments? Say someone says that we are going to cut ten percent (10%) off of all travel or across the board, or if it affects the Office of the Mayor, say, "We are going to cut ten percent (10%) of travel out of the Office of the Mayor, this office, and that office," any multiple department. No? Okay. Any cuts and adds? So now we are getting into the five (5) vote realm. With a cut and add, it is basically an add. The proposals are going to take five (5) votes to pass. We are not going to go through the departments, whoever has one can bring it up. Then we will take Real Property Taxes. Councilmember Kawakami, do you have a question?

Councilmember Kawakami: Are we going to come to a section where we have revenue enhancement and adds, property tax and adds?

Committee Chair Kaneshiro: That would be at the end.

Councilmember Kawakami: The very end?

Committee Chair Kaneshiro: Yes.

Councilmember Kawakami: So if I have a property tax increase that is tied into an increase and something else, that is at the end very end?

Committee Chair Kaneshiro: Yes. Anything that touches real property taxes is going to be at the very end. That also takes five (5) votes. We are just looking at expenses for now. Councilmember Yukimura.

Councilmember Yukimura: I have a combination cut and add.

Councilmember Yukimura moved to increase the Golf Fund Revenue by \$20,000 thereby reducing the transfer in from the General Fund to the Golf Fund by the same amount; use \$20,000 in the General Fund revenue to appropriate \$20,000 to the Office of Economic Development-Other Services for an Electric Vehicle Charging Station on the west side of Kaua'i, seconded by Councilmember Chock.

Committee Chair Kaneshiro: Any questions?

Councilmember Yukimura: Can I explain?

Committee Chair Kaneshiro: Sure.

Councilmember Yukimura: So this combination cut/add would address several core functions of the County. First of all, facilitating land transportation. We heard testimony yesterday about how people cannot go certain places because there is no charging station on the west side. It also addresses our General Plan goal of making Kaua'i sustainable. We are at the beginning of the journey to become one hundred percent (100%)



sustainable in terms of land transportation fuel, that is by having electricity generated by renewables and electric cars are part of that picture. So by facilitating the use of the electric cars, we are making Kaua'i more sustainable. Then we are also wanting to make things more equitable for the west side, which is really a neglected area in terms of chargers. I know several west side residents who use electric cars. What it will also do if people have to charge their cars, they are going to walk around Waimea Town while they are waiting for their car to be charged so that will mean more customers and more people stopping in Waimea. It is also lowering the cost of living. You heard one of the testifiers yesterday said that she cut her fuel costs in half when she went to electric cars. So I would say it is addressing a lot of core functions without hurting golf, because I am sure we can find a way to make up \$20,000 in revenues, and I really feel it is the responsibility of Parks to bring forth a long overdue fee increase or actually a fee adjustment, which could be increases and decreases, depending on the category of golf. I think we have been waiting for that for several years, so I would like to see that come forth. Otherwise, they can make transfers, as we said. There is a lot of money to transfer from.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I have a question, Councilmember Yukimura. So these people with electric cars, can they charge their car at home?

Councilmember Yukimura: They can, but if they live on this side of the island, they have a hard time getting around the west side.

Councilmember Kagawa: So if you drive from Kapa'a and you work in Mānā or whatever, your car, without being charged, cannot reach back home?

Councilmember Yukimura: Well, for the older cars...some of the cars, like the Tesla cars, but they are very expensive, have large-capacity batteries, but the older cars do not. In my old Nissan Leaf, I would be really scared to go up to Kōke'e if I did side trips. From Līhu'e, I did some errands and stuff and by the time I got to Waimea to go up that hill is really scary.

Councilmember Kagawa: Okay. I always thought that the public electric chargers were there to encourage people to get electric cars, and then they can use public-paid charging to charge their cars, instead of the electricity that it will cost to charge your car at home. But I did not know that the batteries were so limited.

Councilmember Yukimura: It is changing for the better. I think it was said that people are willing to pay for it. There are now systems where it is easy to charge. At least in the last report on electric cars for the charging stations for the County, it was more expensive to charge people for parking because of the administrative cost and I remember when you had a charge card and you had to actually call people, and talk to them, and give them your charge card, which is really, really time consuming. That is beginning to change and I understand that the cost of charging for electric chargers is getting easier to do.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Where do I begin? Thank you, Mr. Chairman. I agree that there is a need for electric vehicle charging stations on the west side and here is the fundamental problem that I have always had—we are in the process of installing or at least going out to bid for a while now for electric charging stations at ‘Ele‘ele Shopping Center and Kapa‘a Shopping Center, because one, it is the right thing to do. We are seeing an increase of these type of vehicles coming, so we want to provide the service. But here is where I have the fundamental problem—the State had mandated private property owners of a certain size to install these electric vehicle charging stations. When asked the fundamental questions, “Where is the skin in the game for these auto dealerships that are making money off of the sale of these electric vehicles?” There is really no mandate for them to provide for that type of infrastructure. I agree that we need electric vehicle charging stations, but why are we going to put the burden on the back of local golfers who many of them, that is the only golf course they can afford to golf at? This proposal, although well-intended, is so ambiguous...it just says “\$20,000 reduce from the General Fund to Golf Fund for electric vehicle charging station,” but who decides who is going to bear that burden? It is a conflict of interest because if we are going to look at who is going to fund these electric vehicle charging stations, they do not pay into our fuel tax. So how do we create some level of equality? Do we increase the rate on their vehicle weight? Maybe perhaps that is a better source of revenue that the people that are actually buying these vehicles pitch in to some of the infrastructure needed. Have we proposed or taken a look at increasing the fee for motor vehicle registration for owners of electric vehicles? I really get hurt because I know who golfs at these golf courses. They are retirees, the junior golfers, and oftentimes, they are the people that this is the only course that they can afford to golf at. I agree that there needs to be some way to fund electric vehicle charging stations, but I am just not convinced that this is the right vehicle to do it. Thank you, Mr. Chair.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I guess the question I have is really similar to what you are bringing up, Councilmember Kawakami. I am not familiar enough with the charging systems and the mechanisms, like fee-for-service. So I guess I am looking at is there a way to integrate a system where whatever we put up, the users are...because I heard it clearly from the testimony that people are willing to pay for it themselves if we help get it up. So we use the money and we get what we need up, but then it gets paid for by the users. Is that feasible for us to consider? If so, then that is kind of where I with would like to see this measure go.

Councilmember Yukimura: Could I answer that?

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The thing is that the golfers are not paying for their golf, because we are talking about General Fund subsidy of \$1,000,000, that is subsidizing golf play. In terms of the electric chargers, I believe the technology is getting better and easier, so if you want, we can say that this one shall be a pilot project. All we have to do is change our overall policy on electric chargers in the County. So the ones right out here and wherever we have them, we can change it to a for-fee policy. What we heard from OED was that it was costing us more to do a for-fee policy than to not and that was at least

two (2) years ago maybe. So it was going to be costing the County more to charge than to give it free. Actually, that is the experience at Wilcox Hospital and elsewhere where they are giving it free, because that is the reality of the situation, but we can change it by mandating it. We could adopt a policy here and tell the Administration, even if it costs more, we are willing to pay for it, or maybe now there is a new technology that I heard there is...I actually heard it last week as I was investigating this. So I do not know a whole lot about it right now, but we could mandate that this one shall be the first for-fee charger and see how it works. Somebody might say it is "discrimination" against the west side, so maybe we should do it countywide.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: That was my question, I wanted to know if they pay for charging right now.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I guess the first question is for Councilmember Yukimura. You said that the golfers are not paying for golf...is that what you said?

Councilmember Yukimura: The fees are not covering the cost of operation of golf.

Council Chair Rapozo: Neither are the bus fares.

Councilmember Yukimura: That is right, but the bus fares are in equity...bus is considered an essential service, like police and fire, and none of those services pay for themselves. It is a service we pay so that...

Council Chair Rapozo: I am not arguing, but I am just saying that to many golfers out there, that is their exercise...we can argue about that, but I guess my point is that we have been through this for several budgets now where there has been an attempt to increase revenue on an Enterprise Fund, which we cannot do that. How do you squeeze the turnip? How do you squeeze blood out of a stone? We could make the same argument about, "Let us do it with any of the other Enterprise Funds; let us force them to generate more revenue," which means you are forcing them to raise rates or whatever the case may be. That function is really of the Council and not the Administration. So if that is what you want to do, then you can go ahead and attempt to do that. We were here not long ago with Ben Sullivan...we talked about this exact item and I asked the question, "Why are we not providing more charging stations?" I heard from constituents on the west side and from what I got was reasons why we could not. "It is expensive." "Oh, we have to tap into electrical and we have to dig up the ground." In my opinion, there is no real interest at the Administration-level to go ahead and provide these stations. I had hoped to get from the Administration a plan and it could include some tax incentive for businesses that would create these stations, real property tax incentives or some sort of incentive that would really incentivize the private sector to put up these. Who benefits from the charging stations more than the shopping centers or the hospitals? You get people to come early and they get to use your charging station and if you do a for-fee system, you can recoup the costs. I believe that

this County needs to put up one (1), possibly two (2) stations on the west side. I am not sure if forcing the golfers to pay for that is the answer. I say we just put it in as an add and find the money somewhere else. I can support the creation or the addition for a charging station. I really wish we would have had a plan from the Administration because they are the ones that have to put it up and I have not heard that from the Administration, so that is of concern. \$20,000 might be for one...we could probably put one (1) charging station up somewhere, but I do not even know if that is going to be enough. I do support the charging stations. I think we need to get more up there. Also, I heard yesterday from one of the...from the Haleakala Solar person that the State has a mandate for certain businesses that have so many parking stalls or whatever that needs to have these stations. I think Councilmember Kawakami just mentioned that, but he told me, and Councilmember Kawakami can correct me if I am wrong, but there is no requirement to keep them operational, that, in fact, if it breaks down, it breaks down. He is saying that the two (2) that are at Kukui Grove are there, but they are not functional. They are just broken and there is no mandate to fix it. That makes no sense. I think that is a State issue, but at the end of the day, I think we still have to provide. There are constituents on the west side that cannot charge their car and I think we should at least start there. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I just want to say that we have raised bus fees like three (3) times in the last three (3) years and that is because we are watching the ratio. Our consultants have said that you want to raise the bus fees to the extent that people are able to pay, and our bus riders have not grumbled when we have raised the rates, because they know the benefit. I just want you to know that there is a real clear policy about having the bus paid for to the extent that users can afford. You just do not want to make it so unaffordable that they cannot use the bus; that is counterproductive. \$20,000 in revenue is not hard...you probably raise the fee by \$2 a round and get more than \$20,000. This is a small amount and it is entirely reasonable to boost...all of the projections are estimates, so it is a signal. If we think that the Administration should be coming to us with a proposal, it is a signal to them that they better start working on it and the fees are fairly complicated, so it is an administrative task to actually figure it out and come to us with a proposal. I did check with Mr. Sullivan about the cost—\$20,000 will pay for the installation and the equipment and it is for a double-headed charger, like we have out here, so it will be two (2) chargers. We can put it on County property at the West Kaua'i Technology and Visitors Center.

Committee Chair Kaneshiro: Councilmember Yukimura, you said that we raised the bus rates three times in the last three years, but did we in the last three years?

Councilmember Yukimura: I think so. We passed it at one point and it was incremental. Maybe it is two times?

Committee Chair Kaneshiro: I just do not want to mislead anybody, but I do not remember us increasing the bus fares.

Councilmember Yukimura: We did it once in a vote that was incremental, that it would increase on a certain date by a certain amount...Celia is here.

Committee Chair Kaneshiro: That is off topic, but I just do not want misinformation out there. I do not remember increasing...

Councilmember Yukimura: Do you want to ask Celia?

Council Chair Rapozo: We can ask our staff. Did we raise rates for the bus fares? I do not recall.

Councilmember Yukimura: We passed an ordinance that increased the bus fares over multiple years. Last year, it went up to \$400 a month. Can she come up?

Committee Chair Kaneshiro: Yes, because I do not want the information to be wrong.

There being no objections, the rules were suspended.

CELIA M. MAHIKOA, Executive on Transportation: *Aloha.* Celia Mahikoa, Transportation Agency. In regards to your question about the bus fare increases, it probably took place maybe about five (5) years ago, whereby we came in at budget time noting that...it was part of the recommendations that came out of the Kaua'i Multimodal Land Transportation Plan, whereby the bus passes were deemed as low for the amount that it should be at that was being recommended and therefore, we asked to have a \$5 per month increase on the bus pass price that was to take place for three (3) consecutive years. So it was as total of a \$15 increase. They were \$25 and for three (3) consecutive years, it went up \$5 each.

Councilmember Yukimura: The annual pass went up, too.

Ms. Mahikoa: That is correct. We have maintained the annual pass at the price of ten (10) months of monthly passes. That has been the practice.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: We were doing that so we would not have to hit people like we did on the...was it the vehicle weight tax...we waited for twenty (20) years before we raised it and it was a huge amount. So to do it incrementally helps not only our budget, but it helps the riders so that they do not have to pay a huge amount in one shot.

Committee Chair Kaneshiro: Any other questions on this proposal? Any discussion? Councilmember Kawakami.

Councilmember Kawakami: I just want to remind the people that I know that there is a preconceived notion of golfers and golf courses and that they are all rich, but for Wailua Golf Course, it is really the one park that we are actually charging for use. I am not proposing that we charge other parks for use, but it also serves an important part and role as far as how our wastewater treatment operation works. It does serve a purpose as far as taking the wastewater and effluent and using it for irrigation. So there are multiple purposes

and uses for this golf course. I agree that we need an electric vehicle charging station on the west side of the Kaua'i and I think the Chair is right that there is a requirement to put them in. I am not sure if anybody in the State has even taken a look to see if property owners with a certain amount of parking stalls are even in compliance. We are doing ours and we have been working on it. I can tell you that for some of the properties, it is a challenge. \$20,000 is a very, I would say, conservative number. You take into account some of the infrastructure changes that need to be made, as far as perhaps, you may need to dig up a parking lot or you may have to upgrade your whole electrical system if it is at capacity. I think this is the wrong avenue to take a look at funding in this type of infrastructure improvement. So I will be voting against it. Thank you, Mr. Chairman.

Council Chair Rapozo:

Councilmember Brun.

Councilmember Brun: Thank you. I have the same thoughts and I am going to be voting against this, but I really think that we need a charging station on the west side. I think that is what is holding me back from buying an electric car right now...I am just joking...number one, they are not big enough. If they come out with a truck, then maybe I can fit in one. If Ben or OED comes out here and says, "We need it, let us fund it," then I will be more than willing to fund it and for the \$20,000, we will find it from somewhere and put it in. As far as taking it out from the golfers, I am kind of struggling with that, and I do not golf.

Committee Chair Kaneshiro:

Councilmember Yukimura.

Councilmember Yukimura: If this does not pass, I want to invite the colleague on each side of me to please propose where we could get that money from since they support the purpose.

Committee Chair Kaneshiro:

Councilmember Kawakami.

Councilmember Kawakami: Usually, when you make a proposal, you are responsible for finding the funding source, but I raise the question: Can we use vehicle weight tax? Can we use motor vehicle registration fees? That is where we are losing revenue. They are paying nothing into the vehicle fuel tax, and yet, they use the roads. So now, they are not paying into the roads through vehicle fuel, and yet, they are not going to be paying into the infrastructure of an electric vehicle charging station. Thank you, Mr. Chair.

Committee Chair Kaneshiro:

Councilmember Yukimura.

Councilmember Yukimura: The cars are paying the vehicle weight tax. Let us be clear about that.

Councilmember Kawakami:

I am clear about that, I said fuel.

Committee Chair Kaneshiro:

Councilmember Kawakami said fuel tax.

Councilmember Yukimura: Perhaps Councilmember Kawakami can propose a vehicle miles traveled system of funding the Highway Fund, which would be used as you

use...pay as you use. So the more you use it, which means also that we should increase the vehicle weight tax for the heavy vehicles, which cause proportionately more damage to our roads. I am very open to a fair system that does that. I think we are talking “apples and oranges” when we are talking about public facilities that will support the new sustainable way of land transportation. It is a goal, I presume, of this Council, to become more energy efficient and to reduce our carbon loading in the system that causes the climate change. With that kind of huge goal, I am assuming...and electric vehicle owners are doing more than their share in terms of driving electric vehicles. There is that quid pro quo.

Committee Chair Kaneshiro: Councilmember Kawakami. I would like to stay towards the vote already. I know we are getting a little far away with telling Councilmember Kawakami what to propose. Let us stick to this.

Councilmember Kawakami: Mr. Chairman, in all honesty, a vehicle miles traveled just hurts the people that have to live on the west side or have to live down in Anahola and have to drive into town. It has nothing to do with the equality of electric vehicles and their fair share into the road system. A vehicle's miles traveled has been vetted by the State Department of Transportation and even they find it daunting and very complicated to figure out, so what makes you think our County can go ahead and figure this out? Then again, all it harms when they take a look at it are those people that have to live out in Kekaha and Waimea and they are incumbent into driving into Lihue or Po'ipū to find work. That hurts a lot of the people that we are trying to help. I think we are toying with a conflict of interest. We have a Councilmember that owns an electric vehicle. Mr. Chair, that concludes my position on this.

Committee Chair Kaneshiro: Again, I would like to get to the vote. Councilmember Chock.

Councilmember Chock: I actually wanted to walk into this supporting it. I did not know what the details of the proposal was of course, but I know that we do need this charger. I think what we have...at least a super majority...I do not know if everyone is in agreement that we want to support this. The mechanism is where people are conflicted with, myself included. I would actually like to make sure that this comes back and that we get the right mechanism to fund it. At this time, I will not be supporting it.

Committee Chair Kaneshiro: I will share my discussion—as in all of the past budgets, I have really looked down upon arbitrarily increasing revenue to spend money elsewhere, so I will be voting “no.” I would have loved to have this conversation go to the proper department, maybe Economic Development. They have energy grants-in-aid and we have Ben, who is our energy guy, that could come and say, “Hey, we need this. I am going to propose this. Maybe we will get grants.” I think that is where it should have come from, rather than us having to arbitrarily increase revenue or put it in the budget now. I think it would more than likely pass if it came through Economic Development or some means of that. Councilmember Yukimura.

Councilmember Yukimura: There has been a charge made on the floor, so I would like to defend myself. I have received an ethics clearance from the Board of Ethics on this issue. They said that as long as I do not have stocks in this company, it is just like all of

us being real property tax payers and we vote on real property taxes. So I have made the request and I have been cleared.

Committee Chair Kaneshiro: Again, this will take five (5) votes to pass. Roll call vote.

The motion to increase the Golf Fund Revenue in the amount of \$20,000 thereby reducing the transfer in from the General Fund to the Golf Fund by the same amount; use \$20,000 in the General Fund revenue to appropriate \$20,000 to the Office of Economic Development-Other Services for an Electric Vehicle Charging Station on the west side of Kaua'i was then put, and failed by the following vote:

FOR MOTION:	Yukimura	TOTAL – 1,
AGAINST MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Council Chair Rapozo: Mr. Chair, just for your information, I am having staff prepare a straight-up add for the EV charging on the west side.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: We will take the straight-up adds after we do the cut and adds. Do we have any other cuts and adds? Councilmember Yukimura.

Councilmember Yukimura: Are we still on the General Fund or can I do it on any fund?

Committee Chair Kaneshiro: It is a cut and add.

Councilmember Yukimura: Okay.

Councilmember Yukimura moved to reduce the funding in the amount of \$950,000 from the Island Wide Resurfacing/Road Bridge Repairs and add funding in the amount of \$950,000 for increased weekend bus service, seconded by Councilmember Chock.

Committee Chair Kaneshiro: Any questions?

Council Chair Rapozo: I have a question for the Administration.

Councilmember Yukimura: Can I just explain?

Committee Chair Kaneshiro: Yes.



Councilmember Yukimura: Thank you. I think we heard yesterday how important increased weekend service is to people. There is a woman named “Kawai” who works at Aha Punana Leo who could not come to the public hearing because she takes the bus from Līhu‘e to Kalāheo to pick up her child and then they wait an hour for the bus to take them home. Last night, the Mayor and I sat next to Auntie Nani’s son-in-law and he works at Costco and on weekends, he gets off from eight (8) hours of work and then he has to wait two (2) hours for the bus to take him home. There are workers at the hospital, who cannot accept weekend work because they cannot go home from work because the bus service ends at 4:30 p.m. So for four (4) years, we have worked to get the general excise tax so that it could fund some bus expansion. Next year, we get \$12,500,000 and of that money, only \$160,000 has been used to improve bus services. We have it in the hands of each of us to make life better for a lot of people if we could pass this. Now, we all want road resurfacing.— I have tried for five (5) years to get that done, too, proposing fuel tax increases and then when that did not work, going for the general excise tax, which I feel should be used for road repair, at least to the extent of reducing our \$100,000,000 backlog; however, to give it to road repair and to other General Fund needs, which we did, by releasing \$3,000,000 of General Fund money that we used for bus operations, and not do anything to improve bus services when it is so desperately needed is not a good thing. It is not justifiable; it is very unjust. It is harming the people who are the most impacted by a regressive excise tax. So that is why I think we have enough money for Olohena Road, Kōloa Road, and all of those roads, and I am taking less than \$1,000,000 from the \$7,000,000 proposed for road resurfacing and we need to give bus riders a fair share of this excise tax.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Yukimura: I also want to pass out these petitions for more bus service. It was in favor of the GET. Bus riders are in favor of taxing themselves for better service. This was on Bill No. 2670. But it is in favor of weekend service, so that is what I am showing. There are a lot of west side seniors who need it.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I want to support this effort, but one of the comments yesterday by the testifiers was about us paying for plans and studies, and then throwing them on the shelves. That is why I asked you to be here today, Celia, because I want to make sure that we are following the plan. I want to make sure that we are following the sequence of events that was recommended by the consultant that we did spend quite a bit of money for, which I felt was a great plan. It is five hundred and nine (509) pages and I went through it to get the sequence and I want to make sure...I do not even know if you can see this because it is kind of blurry, but the first thing that the consultant recommended that we do in this vision for expansion of the Kaua‘i Bus was the marketing plan and they have it broken down quite detailed and updating the maps and printed materials...have we done that?

Ms. Mahikoa: No, we are still working with them on the final steps of the plan with getting schedules (inaudible).

Council Chair Rapozo: Right, number two was “develop a new updated comprehensive website for the Kaua‘i Bus, develop a social media presence. The website is the first location that many riders and prospective riders attempt to access transit...” Have we done that already?

Ms. Mahikoa: The website is in completion. IT has been working with us to assist us with mapping (inaudible) for the public.

Council Chair Rapozo: Number three was to update the Kaua‘i Bus brand and we are working on that as well. “Improve signage and other passenger bus stop amenities.” I know we probably have the nicest bus stops in the State. Have we done that and completed that effort?

Ms. Mahikoa: It is still a work in progress.

Council Chair Rapozo: Then a marketing campaign for the Kaua‘i bus basically to improve or increase the visibility of our bus.

Ms. Mahikoa: That we have not been able to address.

Council Chair Rapozo: This was the second part—the second phase was the “quick wins,” which was...this was part of the second phase...the fixed route...number one was the “quick wins.” Have we eliminated the Haraguchi Farm stop?

Ms. Mahikoa: Not yet.

Council Chair Rapozo: Do we serve Waimea Athletic Field before the Kaua‘i Veterans Memorial Hospital (KVMH) for inbound trips?

Ms. Mahikoa: No.

Council Chair Rapozo: Do we make stop order consistent for inbound and outbound trips?

Ms. Mahikoa: Sorry, these are all recommendations within the plan that are just getting completed.

Council Chair Rapozo: Right. Again, I am not criticizing you, because I know you folks are working on it. My point is that there was a schedule. These people put out a schedule...these consultants that we paid for said, “Let us work on the marketing plan first, let us do the quick fixes...” You are going to disagree? I have it right in front of me.

Ms. Mahikoa: I understand what you are saying; however, I do not believe these are in order by what you are seeing on the chart. I believe they are all recommendations within certain categories of actions that we will need to take. What they are recommending first is for us to get efficiencies out of our existing system, which is why we had a contract amendment carried out with the current consultants to do that in order to

identify additional resources that we already have that could carry out the initial steps of increasing service.

Council Chair Rapozo: I am not going to argue. I am just saying that from what I got from the consultant here and in the private meetings that I had with them, from what I got directly from the plan...this is straight off the plan...I did not alter or fix anything and it is pretty clear. "How do we move forward? The following sections provide an overview of the steps and action item to move the Kaua'i Bus." Like I said, these are the action steps. As I go through this, there are a whole bunch of steps that we have not accomplished. "This chapter presents a short-range plan to fixed route, transit operations. The plan addresses quick wins and short-term priorities." It goes from guiding principles to the quick wins, to the short-term system wide, and to the long-term vision. That is the order that I got from them. Again, it is everybody's opinion and interpretation of what they said. I met with that guy a lot of times and that is why I am having a problem, that we are jumping to a very future step...if you need funds to complete what we just went over, the work in progress, I am more than happy to support that. There is a rhyme and reason why he did it this way. It is a structure...it was a calculated process to have a success for expansion, not start at the end and work backwards. It is very impressive, appealing, and all of that, but yet, it is built on these blocks. Again, that is how I interpreted it. I could be wrong. That is why I am having a difficult time with this request. I hope you can convince me otherwise, because I believe in the plan. Most of the consultant plans that we get end up on the shelf—I have to be honest with you—it is frustrating. But this one was one that I believe was a very well-thought out and a very positive plan. I am just trying to say, "Let us follow the plan and not jump to step four before we finish one, two, and three."

Ms. Mahikoa: We greatly appreciate all the input that was provided by Councilmembers to help us to get to this point. Needless to say, there is an overwhelming amount of improvements that are being recommended that we are excited about taking on one at a time; we are going to need to get to them. What we had committed to at this point was identifying the efficiencies in our existing operations that would be able to get us within the first steps of recommendation for additional weekend service. Once we can identify the efficiencies that we can get out of our existing service, we are looking at using those savings in order to implement...we would be able to identify at that time what we could implement. That was the plan, administratively, on what the first step was coming through this exercise. That is where we are at right now.

Committee Chair Kaneshiro: I think we had this question during our budget meetings, "What is our plan for bus expansion," and I think you said, "The consultants strongly believe that the results of the run-cutting and efficiency identification within our operation would be able to provide what it takes to expand the weekend services." I think it has always been their plan to start with efficiencies that do not cost the County any money first, and then once we have worked through all of those efficiencies and accommodated any expansion we can do, then we come back and say, "Okay, we have worked on all the efficiencies we possibly can. Now, it is going cost money to do this additional run or that additional run."

*(Councilmember Kagawa was noted as leaving the meeting.)*

Ms. Mahikoa: That is the plan.

Committee Chair Kaneshiro: Okay. We are coming up on a break in three (3) minutes. Councilmember Brun's question might be the last question before the break.

Councilmember Brun: Lyle, would this \$950,000 hurt your plans on repaving roads?

Mr. Tabata: Lyle Tabata, Acting County Engineer. Thank you for that question. Would it hurt? It will not hurt, but it will delay the work that we have planned. The winter rains have just exploded on us as far as road deterioration, much like we saw the last two (2) years, where we saw Kōloa Road, Maluhia Road, and I keep getting calls weekly about Oloheua. We are ready to go to contract for the intermediate repairs, so right now, I have a list, \$6,600,000 ready to go.

Councilmember Brun: This would impact that?

Mr. Tabata: That would delay that, not saying that she and I should be boxing up here for the money, I am just saying that I am ready to go.

Councilmember Brun: You are ready to go with \$6,600,000?

Mr. Tabata: I am ready to go.

Councilmember Brun: And we have \$7,000,000 right now with this in?

Mr. Tabata: Yes. That is just my estimates. When we put it out, we will see what they bid on.

Councilmember Brun: Okay. Celia, if we would put this \$950,000 in your account, would you folks...I guess my meeting with you folks all of the time...my main concern was for the Kaua'i Bus to be running efficiently and I never hid that. Are you folks are efficient enough right now as it is to implement this weekend bus service and you would be able to pull this off if we gave you this money?

Ms. Mahikoa: I honestly believe it would be most responsible for us to be able to finish our work with the consultants and identify efficiencies in our existing operation before we conduct any further service addition.

Councilmember Brun: Okay, so truthfully, you folks would not be able to implement this before the end of the year, so maybe half this budget...do you know what I mean?

Ms. Mahikoa: We could add more drivers and dispatchers, but I just believe it would not be...I could not do it in good conscience knowing that I would be abandoning the efforts towards finding the maximum efficiency in what we have right now first. I feel like that is something that we need to do first.

Councilmember Brun: Thank you. That is an honest answer.

Ms. Mahikoa: I am sorry.

Councilmember Brun: No, that is good. Just to let you know, we are having trouble finding employees, so it is not that easy to hire bus drivers and dispatchers. The unemployment rate is down.

Committee Chair Kaneshiro: With that, we will take a ten-minute caption break. Then I have Councilmember Kawakami, Councilmember Chock, Council Chair Rapozo, and then Councilmember Yukimura.

Council Chair Rapozo: I just wanted to say thank you for your honesty. That is all I really wanted. I really appreciate that.

Committee Chair Kaneshiro: We will come back to this. Again, we finish at 4:30. We will see where we are at. If we can finish the budget by 4:30, I would like to finish. If we cannot, then we will be here tomorrow morning. We will see how it goes.

There being no objections, the meeting recessed at 3:31 p.m.

The meeting reconvened at 3:45 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We are still on cuts and adds. Councilmember Kawakami, you have the next question if you still have it.

Councilmember Kawakami: Well, we all want to increase our time for the weekends. What time do we end services on weekends for the three (3) busiest areas; Līhu'e, Waimea, and Kapa'a? What time does services end on weekends?

Ms. Mahikoa: Celia Mahikoa, Transportation Agency. On Saturdays, Sundays, and holidays, the last buses leaving Līhu'e are at 4:30 p.m.

Councilmember Kawakami: At 4:30 p.m.?

Ms. Mahikoa: They depart from Līhu'e at 4:30 p.m., go to Hanalei and Kekaha, then they turn around, return, and that is the end of the service day.

Councilmember Kawakami: Like I have said before, one of the challenges of people staying gainfully employed and finding employment, child care, and transportation. People have to work on the weekends, so we are saying that if we appropriate the \$950,000, we are not necessarily ready to deploy that money immediately. What does \$950,000 get us? What does it take the hours to?

Ms. Mahikoa: \$950,000 would allow us to go to hourly service and increase the hours by three (3) additional hours. So, if we want to go one (1) hour earlier and two (2) hours later, or just go straight three (3) hours later, we are able to do that if we are running hourly service.

Councilmember Kawakami: But as you said clearly, we are working on efficiencies.

Ms. Mahikoa: Yes.

Councilmember Kawakami: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: When do you anticipate getting to that point of transition so that we can anticipate how we can best serve the needs?

Ms. Mahikoa: We are anticipating wrapping this up with the consultants within two (2) months. That is our goal, so we are hoping to be able to identify it. We then need to also comply with the posting requirements for bus driver schedules, and this will involve adjustments in the various schedules and therefore, that would also delay it nine (9) weeks, which is the posting requirement.

Councilmember Chock: Would 2019 be feasible?

Ms. Mahikoa: We are probably looking at the early 2019.

Councilmember Chock: Or thereafter?

Ms. Mahikoa: Yes.

Councilmember Chock: Okay.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You said two (2) months to identify the efficiencies, and so that will mean June/July, right?

Ms. Mahikoa: About there.

Councilmember Yukimura: Okay. Once you do that, then you said nine (9) weeks?

Ms. Mahikoa: Yes.

Councilmember Yukimura: So that is August/September.

Ms. Mahikoa: I would certainly add on a few weeks or a month or two (2) in there for other things. Things do not just operate that extremely efficiently within the systems that we need to go through to get things done. I wish they did; however, they do not.

Councilmember Yukimura: Okay. We will give you another three (3) months or two (2) months, to end of the year, December. Can we start weekend service in January?

Ms. Mahikoa: We will certainly do our best to do that.

Councilmember Yukimura: So, you could use half of the \$950,000 for half a year next year? If you are given the money, we can aim to start weekend service in January?

Ms. Mahikoa: We are hoping that we will not even need the additional funds. If we can identify sufficient efficiencies within this upcoming budget year, then we may not need it, or we may not all of what is provided. That is our hope.

Councilmember Yukimura: Well, you told me that in estimating the efficiencies, that paratransit service was not included, so that even if you found efficiencies, you could not fully implement weekend service with those anticipated efficiencies. Did I not hear you correctly?

Ms. Mahikoa: Paratransit service is required any time we are adding. We need to provide equal service.

Councilmember Yukimura: But you told me that the consultants had not included paratransit services in the projections for weekend service.

Ms. Mahikoa: That is correct. However, the numbers that I gave you added on the paratransit service.

Councilmember Yukimura: The \$950,000?

Ms. Mahikoa: Yes.

Councilmember Yukimura: But also, I assumed that was until 10:00 p.m. and what you were saying about putting something upfront would give you only two (2) hours, so do that mean 6:30 p.m. rather than 10:00 p.m.?

Ms. Mahikoa: That is three (3) additional runs. If we are going hourly, three (3) additional runs will only take you to 7:30 p.m. If you are going every other hour, three (3) additional runs will take you to 9:30 p.m. like we are doing now.

Councilmember Yukimura: Okay. Then I misunderstood. \$950,000, not counting efficiencies. It is just total cost of weekend service with paratransit every hour to be equivalent to weekday service. That is what I thought the \$950,000 figure was for.

Ms. Mahikoa: Okay. If you are looking at equivalent to weekday service hourly from, we are looking at 6:00 a.m. until 9:30 p.m., you are probably looking at least fifty percent (50%) more than that.

Councilmember Yukimura: What did the \$950,000 get us?

Ms. Mahikoa: It got you an additional three (3) hours and taking your existing weekend service hourly.

Committee Chair Kaneshiro: Councilmember Yukimura, are your questions leading to an amendment or something else?

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: Okay. It is your proposal right now...

Councilmember Yukimura: I am looking for something that is going to work for everyone that gives us weekend service as soon as possible.

Committee Chair Kaneshiro: Okay. Council Chair Rapozo.

Council Chair Rapozo: This is what I heard from Celia: let her work on the efficiencies, let her work with the consultant, and as they move forward with the consultant's recommendations working with the consultant and gaining the efficiencies, that they may be able to get to the same result without any additional funding. That is what I heard. That is what we are striving for. Why are we arguing with her and saying "No, you need \$900,000"? She is trying to follow the plan and I have to tell you, Celia, I appreciate your candid response. I understand it is great if the Council can give \$900,000 and it looks great to the public, but the reality is that we are on a plan. That plan is going to create efficiencies that will expand service without the additional funding. That was the purpose of the plan. Why would we go and toss money at this plan or function when there is a plan already in place? I guess that is where I am struggling. Now, we are going to say, "Well, what about half?" I think Celia is being very polite and is like, "I am trying to do my job. Let me do what we said we were going to do, let me do what the Council funded the study to do, and then we will see where we are at." At the end of the day, if the efficiencies are not as much as they projected, then Celia comes back and says, "Hey, we are going to need \$100,000 or we are going to need \$200,000 to fulfill the expanded service." That is what I am hearing from the person that is in charge. What I am hearing from the Council is, "No, you need more money," and that is not our function. I think and I hope everyone got the same message. It is not as attractive to the public and then the newspaper is going to say, "Council denies money for the expansion of the bus." That is not the case. We want to support you, but it is very difficult when we have a fixed amount of money that you have to be careful about. I really appreciate you, Celia, saying, "Let me take care of the efficiencies first, figure out where we are at, and then make the decision on how we move forward." That is what you are saying and I appreciate that.

Ms. Mahikoa: Thank you.

Council Chair Rapozo: I do not know what we are going to do. Are we going to debate with her? I think she made herself very clear, Committee Chair Kaneshiro.

Committee Chair Kaneshiro: Councilmember Kawakami and then Councilmember Yukimura.



Councilmember Kawakami: I agree. My level of respect has just increased exponentially on the honest and frank answer. Most times during budgeting, Departments will just take the money. That is the easy thing to do, but that is a good exemplary example of responsible government. It makes it that much easier when you are ready to come back for money. The Council does not forget these types of things. Thank you for your honesty.

Ms. Mahikoa: Thank you.

Councilmember Kawakami: I can tell you that when the time comes, this kind of character is really worth its weight in gold. Thank you.

Ms. Mahikoa: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: When we were working on efficiencies, which I fully favor, it was in the context of not having any extra money. We did not know that the excise tax was going to be available, and so of course that was the only way to get weekend service, to find moneys from within the system. The question is whether the finding of efficiencies has to delay weekend service or can you dovetail the effort? That is what I am asking about. I do not believe we will find enough money in the efficiencies to support a cost of \$1,400,000. I do not think we will do that.

Ms. Mahikoa: Right.

Councilmember Yukimura: That is not likely, right? That is what I am asking. If we have the moneys and we can provide the service while we find efficiencies, why do we not do that?

Ms. Mahikoa: Seeing what is involved in the details of this transit operation, I believe that it would just be far more difficult if we are adding the service and then attempting to implement efficiencies on what we have right now plus additional service that we are implementing.

Councilmember Yukimura: Okay.

Ms. Mahikoa: It would increase the difficulty...

Councilmember Yukimura: Okay.

Ms. Mahikoa: ...in reaching that end-point, one. Two, we have been in deep discussions with the consultants and they have been working with us on our existing schedules and getting our schedules better defined so that we can set up driver schedules that are much more aligned with setting them up more efficiently so that we have less downtime in certain areas and that we are able to utilize the—we need to operate within the certain parameters within collective bargaining agreements for Unit 1 members, and that lends some difficulty in this.

*(Councilmember Kagawa was noted as present.)*

Ms. Mahikoa: Yet, we are working with them to have them work within those parameters and at the same time, aligning as much hours of on-the-road service as possible. Our ultimate goal is to get the best product of what we are operating right now before we add any more on. We will be heightening our drive to get it done as soon as possible, but it is difficult.

Councilmember Yukimura: Well, it is especially difficult when you have such a small staff. What kind of staffing will help to accelerate this?

Ms. Mahikoa: Honestly, the staffing I have, they are amazing individuals, every single one of them and they wear three (3) to five (5) hats each in order to get things done. They are fully committed to getting this done. Bringing in new faces does not always help. We have the consultants. We have our existing team. We are just needing to double-up our efforts to get the product completed.

Councilmember Yukimura: Well, that is not what you just told me offline.

Ms. Mahikoa: We are committed to do that.

Committee Chair Kaneshiro: Councilmember Brun, do you have a question?

Councilmember Brun: Yes.

Committee Chair Kaneshiro: Councilmember Yukimura, this is your proposal, so I am assuming you are going to vote yes on it. I want to hear if anyone else has questions for them to get to a position where they are ready to take a vote and we take a vote on it. I think you going back and forth with Celia, it is your proposal. That vote is already there. I would like to see what...

Councilmember Yukimura: Committee Chair Kaneshiro, I would like to finish my line of questioning, because I need to find out what is causing the problem if there is one. I should have the right to ask these questions. They are relevant to the implementation of this proposal, which is the thing that is in question right now.

Committee Chair Kaneshiro: Councilmember Brun has a question. Again, I think I have heard her say many times that they are trying to follow the plan and the plan says to identify the efficiencies first...

Councilmember Yukimura: Please do not answer for her. Could you just let me...

Committee Chair Kaneshiro: I have heard her answer it a few times already, and I have seen the plan...

Councilmember Yukimura: You do not even know what question I am going to ask next.

Committee Chair Kaneshiro: I am just telling you that I have heard her answer as far as going through the efficiency of their system and then...

Councilmember Yukimura: I know, but that is not my question.

Committee Chair Kaneshiro: You are not letting me finish what I am saying.

Councilmember Yukimura: Because you are not letting me finish.

Committee Chair Kaneshiro: We have been very patient. I have not interrupted. I am just saying that I want to get to a point where we can vote on this, Councilmember Brun has a question, and I want to keep moving forward. I do not want to have a debate here when Celia is telling us, "We are not ready for the money, we would rather look at efficiencies first before we add expansion," and that is where it is. That is the answer from the Administration. We may like it or we may not like the answer, but that is the answer and we make our decision off of that. Councilmember Brun.

Councilmember Brun: Lyle, right now, you have \$6,600,000 on the board for road repairs.

Mr. Tabata: Yes. \$6,600,000 and I have an additional \$2,400,000 ready to roll if the prices come in favorable. I have a total of \$8,100,000 to go with the \$8,500,000 that is in the budget right now.

Councilmember Brun: So you have \$8,500,000 in the budget? You put \$8,100,000 and that means that you have \$400,000 extra, right?

Mr. Tabata: Well, estimated.

Councilmember Brun: Estimated.

Mr. Tabata: The proof is in...

Councilmember Brun: If you folks play nice in the sandbox and Celia is ready to go in January, would you be willing, because we can use the GET money, right? If the money is available, would you folks be willing to give it to Celia?

Mr. Tabata: Sure.

Councilmember Brun: Okay. I am just worried. We heard Celia, and thank you for being honest because I asked the question. It know it is kind of a struggle. Yes, we need the weekend service. Yes, we do, but it is hard to give you \$1,000,000 and you are not ready for it. Then, we are going to come back next year and we are going to rip you to pieces for not spending the \$1,000,000 and for not doing the weekend service when you told us—I think I counted fourteen (14) times today, that you are not ready for the money. I think that will be a win-win for everyone that if we have the extra money, then let us do it when you are ready with the bus, come back. When you are ready to go and after your honest

answers today, I am pretty sure we would support giving you money if you come back when you are ready.

Ms. Mahikoa:

Thank you.

Councilmember Brun: After being that honest today, and thank you for doing that. I think we should just vote on this already because it is not going to happen. You are not ready and it is hard to keep pushing you and make you ready. I think we are going to lecture you until 4:30 p.m. or 5:00 p.m. until you change your mind and say, "Yes, I am ready to go." We have to get something done. Sorry.

Council Chair Rapozo:

I call for the question.

Council Chair Rapozo called for the question on the motion to reduce funding in the amount of (\$950,000) from Island Wide Resurfacing / Road & Bridge Repairs and add funding in the amount of \$950,000 for Increased Weekend Bus Service, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro:

Do we take a vote on it?

Council Chair Rapozo:

Yes. We need five (5) votes.

Councilmember Yukimura:  
one (1) more question, if I may.

Committee Chair Kaneshiro, I would like to ask

Committee Chair Kaneshiro:  
the call for the question.

We had a call for the question. Roll call vote on

The motion to call for the question on the motion to reduce funding in the amount of (\$950,000) from Island Wide Resurfacing / Road & Bridge Repairs and add funding in the amount of \$950,000 for increased weekend bus service was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo,	
	Kaneshiro	TOTAL – 6,
AGAINST MOTION:	Yukimura	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro:

Roll call vote on the motion.

The motion to reduce funding in the amount of (\$950,000) from Island Wide Resurfacing / Road & Bridge Repairs and add funding in the amount of \$950,000 for Increased Weekend Bus Service was then put, and failed by the following vote:

FOR MOTION:	Yukimura	TOTAL – 1*,
AGAINST MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kauaʻi, Councilmember Yukimura was noted as silent, but shall be recorded as an affirmative for the motion).*

Committee Chair Kaneshiro: Motion fails. Do we have any other additions and cuts?

Council Chair Rapozo: The combinations?

Committee Chair Kaneshiro: Combinations. If not, we are going to move on to just straight additions.

Councilmember Kawakami: I have a revenue addition.

Committee Chair Kaneshiro: Revenue is going to be after.

Councilmember Kawakami: Okay.

Committee Chair Kaneshiro: We are on additions.

Council Chair Rapozo: Is this straight additions?

Committee Chair Kaneshiro: Yes.

Council Chair Rapozo: I just want to make a really brief statement on the additions, because unlike many years ago where the Administration would give the Council some flexibility in the budget for our projects for our constituents, there was a time where Mayor Baptiste would meet with the Chair and say, “How many projects do you folks have for your constituents?” That has not happened. Basically, what we get is we get a budget of the Administration with absolutely no wiggle room for us and with absolutely no funds for us to use for our constituents. I have a list of additions that came from the constituents as well as some needs that I have recognized in our own office. However, because of my attempts to cut the budget were all unsuccessful, I have no revenue source to get it from. So, that leaves me with no choice but to tap the Reserve Fund. I know people think “Hey, that is a bad place to go,” but what options do we have? Do we just suck it up and say, “Sorry, we do not have any funds. The Mayor gave us this budget and that is what you have. Tough luck.” Or we have to cut positions or cut projects of the Mayor because we have absolutely no flexibility. I have additions, but I do not have any money to pay for them except the Reserve Fund. I will say that the CAFR at the end of the fiscal year last year, identified \$56,000,000 of unencumbered expenditures. In other words, that is surplus. \$56,000,000. What that is going to be at the end of this fiscal year, I would assume it is going to be similar. I was very disappointed last year when we talked about the surplus, because at the end of the day, the surplus is much more than what we believe we need, and that is the only source of money we have unless we want to raise taxes or raise fees to fund constituent requests. I just wanted

to make that disclaimer upfront for all of you so you understand why I do not have any— what are we going to cut? I tried and it is not working. If I may, do you have an order of Departments?

Committee Chair Kaneshiro: No, we are just going to take it as-is.  
Councilmember Chock, do you have a question?

Councilmember Chock: Yes, Committee Chair Kaneshiro. Council Chair Rapozo, I have an addition that I think might be good to actually get out of way. I want to be able to follow through on it, for the record, that may affect future additions as I am starting to understand how this might work out. If it is okay, Council Chair Rapozo, if I can introduce mine first.

Council Chair Rapozo: Please.

Councilmember Chock moved to add a new Operating Budget Proviso to read as follows: “The County of Kaua‘i shall follow the Reserve Fund Policy as outlined in Council Resolution No. 2017-28 and shall be hereby incorporated by reference as law for the Fiscal Year 2018-2019.”, seconded by Councilmember Yukimura.

Councilmember Chock: Basically, what this is really trying to do is preserve the Reserve Fund. I am sure people are going to have a hard time with this one here, but I thought that it was important for us to have the discussion. First of all, we suffered for many years with a declining budget and we are only now coming back online with being, from my perspective, a healthy organization. The Government Finance Officers Association (GFOA) moved us in the direction of wanting to ensure that we have this thirty percent (30%). This essentially is asking us to abide by that rule, not touch the Reserve Fund, keep us accountable, and be disciplined with our budget. As I look at my additions, I am thinking that this is in conflict already as we could possibly be addressing or utilizing our funds. But at least it is one of my things that I wanted to follow through on for the sake of this organization to be fiscally responsible, and that is what this is trying to achieve.

Council Chair Rapozo: I guess the question is, how do we determine what that thirty percent (30%) will be? I think what my point was is that we saw the “fat” in the budget. We see the “fat” in every Department, whether you want to call it “fat” or whatever. At the end of the day, we know. The trends and the historical data tells us that every year, we end up with much more than we think. How do we serve our constituents here on the Council, if we do not have access to funds? We do not and unfortunately, that is just the way it has become. It was not always that way, but that is how it has become. Now, we are stuck with a position of what do we do? We either cut the Mayor’s budget, cut positions, cut programs, cut projects, or raise taxes. I do not believe that it is fair for the legislative body.

Councilmember Chock: Just for clarification, and maybe we need Ken, to ensure that percentage is arrived at the front-end. After we see our lapse from our CAFR, then we can actually start to budget properly. Anything in excess can be looked at the very end, perhaps. I do not know. I need some clarification on that.

Councilmember Yukimura: Can we ask Ken to come forward?

Councilmember Chock: Just on the policy.

There being no objections, the rules were suspended.

Mr. Shimonishi: You saved the best for last, I guess. Ken Shimonishi, Director of Finance—not me being the best, but the best budget item.

Councilmember Chock: There are more to come.

Committee Chair Kaneshiro: There are more.

Mr. Shimonishi: Oh, okay.

Committee Chair Kaneshiro: We are not done yet.

Mr. Shimonishi: Councilmember Chock, thank you for bringing that up. The Resolution, as you all know, was adopted by the Council, which set the parameters on how the Reserve Fund was to be used or is to be used. During today's budget discussion, I heard a lot about "we can always cut this, come back mid-year and fund it later," but that would not be in accordance with the Reserve Fund policy. The policy was to, one, establish the target at thirty percent (30%) of the prior year General Fund revenues, which we will know that once the CAFR is done. Once you have that reserve established, any amount in excess of that, you are allowed to use for various reasons, none of which would be to fund operating budgetary type of activities. However, if you did not meet that, that would not prevent you from using the Reserve Fund for again, disaster response and certain types of critical needs that are identified in the Resolution. So proposing this proviso would mean that you could not tap into it to balance the budget, basically, is what you are proposing. But again, I would reference the Resolution. The policy is there. It spells out what we want to fund first and if the Reserve Fund target is below that established amount, how we should have that funded first. Then, it also identifies the allowable uses for any excess amounts or any amount that is needed in the event of the various items identified.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Let me say this as the Budget & Finance Committee Chair if it will help the discussion along a little quicker, I commend Councilmember Chock for the proviso, but I would be a lot more comfortable if we did it in a Budget & Finance Committee Meeting and tried to pass an ordinance on it. Then, at least we can vet the pros and cons of the proviso because there are ramifications to doing this. It ties our hands a lot tighter as far as things that we can or cannot do. I am not sure if the full Council would be in favor or not in favor of it right now, but I do think there will be some robust discussion on it if we put it into Committee. I think that would be something that we should do. I would just hate to try to vote on it now without having all of the information of what the pros and cons are of passing this proviso, because there pros and cons. Councilmember Chock.

Councilmember Chock: I appreciate that, Budget & Finance Committee Chair. Again, it was just following through on something that I said I would commit to. If the body is willing to have that discussion, which I do believe and think that we should have a more in-depth discussion on it as it relates to the ordinance, I am happy to do so. My interest is to put it on the table because I think that it is a priority that we need to recognize. This is our plan. This is how we are choosing to implement how we do business. If we are not going to, then we need to have a frank discussion that we are not going to do that moving forward. This is a hard pill to swallow, even for me, because we do not have many options to use funds. At the very least, I would just like to hear—I am willing to withdraw this if we move in that direction and if we can make sure that everyone is on-board with that.

Committee Chair Kaneshiro: I think there is going to be robust discussion on it. For the Members to vote on it, I would really like for them to hear the pros and cons of—so far, we passed it as a Resolution, but if we actually put it in a proviso or made it an ordinance, then we are bound by law to follow it. Off of the top of my head, I cannot memorize what all of the pros and cons are to it, so that is why I think having it in a Committee Meeting might be better where we can prepare and have a more robust discussion on what the ramifications are of passing an ordinance or proviso like this. I just do not think that we will be able to get all of the information now. It may be a little unfair for us to try to take a vote on it now, when we do not have all of the information on it. I completely understand and can still follow it. We know what the Resolution says when it comes to voting. We can follow what the Reserve Resolution says, but again, to go and put it in a proviso, we are really going to handcuff ourselves to following it. Again, there are pros and cons to it on both sides. For instance, last year, I think we used \$1,500,000 of the Reserve Fund to balance the budget. If we passed this now, we could not have done that. We would have to raise Real Property Taxes, period, and that is how it really ties our hands. I just want everyone to be able to see all of the pros and cons to it. That is my suggestion. I would say let us not vote on it here, either withdraw it or vote “no,” because there are some ramifications to it. Before anyone votes on it, I would of love for everyone just to get very familiar with what it does.

Councilmember Chock: Again, if I can get that on the agenda for discussion, I just want to remind us that we all did vote unanimously on the Resolution. If we can follow through, then that would be the direction of fiscal management that we agreed to. Thank you, Committee Chair Kaneshiro.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Also, remember, last year I think we were subtly chastised for tapping the Reserve. At the end of the day, we realized that we had more. There was a lot more. I remember being in San Francisco with the Bond Counsel and the bond companies and saying, “Yes, we did dip into the Reserve, but we all knew that at the end of the fiscal year, we would be able to replace that money.” It is kind of hard because you are using thirty percent (30%) of a budget that is maybe inflated, and that is where I am having trouble. That leaves us with no options. I agree with you. I think we need to have that discussion and look at the numbers in a Committee Meeting.

Committee Chair Kaneshiro: Councilmember Kagawa.



Councilmember Kagawa: I have to disagree with Ken on that statement that I said that we have a policy that we can cut and in time, we can fix. If that was the case, that we could not amend and make changes, then we should not even have a process where we add or cut, because that means that we are maxed out and there is no leeway. The Administration sets the parameters for how they want to spend it and the Council cannot say anything. That is ridiculous. The budget is our priority. If we run into a shortfall or what have you, we have the means to change any ordinance or resolution in order to fix the problem. Truly, if that was the way it was like, "Oh, this Reserve Policy tells you that you cannot do anything, you cannot take any chances to trim your budget," then we would not even have the budget process. It would be solely like a dictatorship where the Administration just says what they are going to do and we have to follow. To say that my statements are incorrect, I believe is incorrect. We had a policy. The fact that I did not have enough votes to support the cuts makes the whole point moot, but to say that we are strapped in not being able to make decisions on cuts, that is ridiculous.

Committee Chair Kaneshiro: With the Reserve Policy, we could not add more than we cut in that current fiscal period. If we are looking at it right now, we could not add more than \$230,000 to our balanced budget.

Council Chair Rapozo: I would argue that—then we would have to re-open the cuts. I will tell you what, that is not going to be pretty because we can secure votes overnight, go home and sleep about it, and think about how we are going to serve our constituents. The Administration will not be happy with that. That is why I said there is no opportunity for us to serve our constituents. That is not fair.

Committee Chair Kaneshiro: Those are the pros and cons of passing an ordinance like that. It has to be vetted so we understand what we are getting ourselves into.

Council Chair Rapozo: My additions are very to the point and it is either you agree or disagree. We do not need much discussion on it.

Committee Chair Kaneshiro: Are we going to withdraw this?

Councilmember Chock: I am happy to if we can have the discussion later.

Councilmember Chock withdrew the motion to add a new Operating Budget Proviso to read as follows: "The County of Kaua'i shall follow the Reserve Fund Policy as outlined in Council Resolution No. 2017-28 and shall be hereby incorporated by reference as law for the Fiscal Year 2018-2019." Councilmember Yukimura withdrew the second.

Committee Chair Kaneshiro: Thank you. Now, we are back on additions.  
Council Chair Rapozo.

Council Chair Rapozo: However you want to run it...

Committee Chair Kaneshiro: We can do it individually. Right now, we have \$230,000 in cuts.

Council Chair Rapozo: I already stated my intention to fund the Reserve Fund with additions.

Committee Chair Kaneshiro: Okay.

Council Chair Rapozo: You can banish me for that, but that is the only funds we have. Like I said, we have to revisit some serious cuts. The first one, and I am going to start with our office, the travel budget. As the Chair, I am not in charge, but I monitor the travel. Everyone here has traveled to some extent and yet, it is frustrating when a Councilmember wants to go off to what I believe is a very productive conference or trip and there is no money. We ran out of travel money. We have to borrow from another Councilmember. The entire travel budget for the County Councilmembers is—what was the total? It equates to about \$7,000 per Member per year. We have the National Association of Counties (NACo), Hawai'i State Association of Counties (HSAC), and Western Interstate Region (WIR), and Planning and Smart Growth Conferences that I believe are valuable for this body. There just is not enough funds. What bothers me the most is when I am on Facebook and I see all of the trips that people in the Administration are taking on conferences, and we struggle. We have to borrow from another Councilmember, "Hey, can I use your money to travel?" The other thing that we have not been able to do, and we just started recently, is to allow staff to go to the conferences with Councilmembers. My addition is for \$70,000.

Council Chair Rapozo moved to add a total of \$70,000 for Councilmembers' Travel to Legislative Conferences and Other Council Business, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: How many Councilmembers are going over their budget?

Council Chair Rapozo: I think two (2).

Councilmember Chock: I have this year because of WIR and NACo.

Councilmember Yukimura: Are those trips giving benefits?

Councilmember Chock: For Committee work, yes.

Councilmember Yukimura: I know, but are they giving benefits?

Councilmember Chock: I think they are. For instance, next week or the following week, I have something on the agenda for the emergency disaster that we might be able to consider from NACo as part of their program services. I think it is what you put into it.

Councilmember Yukimura: What is the...

Councilmember Chock: I went to the Planning Conference—the same one that you attended in San Francisco—as the Planning Committee Chair.

Councilmember Yukimura: Councilmember Chock is the only one who is going over?

Councilmember Chock: Yes. I had to borrow funds from Councilmember Kawakami.

Councilmember Yukimura: Is there anyone else?

Council Chair Rapozo: I had to borrow from Councilmember Brun.

Councilmember Yukimura: Anyone else?

Councilmember Chock: I think it is the ones who are on HSAC or NACo.

Councilmember Yukimura: Representing?

Councilmember Chock: Yes, that are part of these Committees and organizations.

Council Chair Rapozo: We have a NACo annual conference coming up in Tennessee. I am not going because we do not have the funds. Again, it is not so much if we did or did not, it is we are prohibited from going to the conferences that we really want to go to because of the funding. I know I have spoken to the Administration about this and they said, “Just transfer money.” I said, “It is not like that.” We are trying to keep an accurate budget and I just do not think we should be prohibited from traveling. I do not see the difference between us and members of the Administration. If you have a trip, that you believe is going benefit you and serve your constituents, I believe you should have the opportunity to go.

Councilmember Yukimura: Are we doing trip reports so that we have what was done and what was gained on record?

Council Chair Rapozo: I have not required any trip reports.

Councilmember Yukimura: Would it not be a good thing?

Council Chair Rapozo: I do not see the need for a trip report. I do not. You are all adults. You answer to your constituents.

Councilmember Yukimura: Well, most constituents do not know what you are going on a trip for and they never hear about it.

Council Chair Rapozo: Again, it is either “yes” or “no,” you support it or not.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: I am against it. I believe we can use campaign funds if it pertains to a responsibility or role to your job. I have heard of campaign funds being used to attend some of these conferences. Unless I am wrong, I think you can tap into that source. We may need someone to look into that.

Committee Chair Kaneshiro: Councilmember Kagawa, do you have a question?

Councilmember Kagawa: I think we have detailed itineraries. I am sure you see those. They are detailed itineraries that are prepared by our staff. I think to do minutes or what have you, amongst ourselves would be silly. Maybe one (1) Councilmember would read it. You go if you think you can provide a benefit. You do not take this job to go travel and see the world. I trust all my colleagues here that the trips have meaningful benefit to themselves and the County of Kaua'i. I think we are all adults. We do not need to be monitored by each other. I do not know what the Administration—I think a Countywide policy would be great. I would like to see what the other Departments do. They travel a lot.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: What is the allowance now for every Councilmember?

Committee Chair Kaneshiro: \$7,500 per Councilmember.

Councilmember Yukimura: \$7,500. That is times seven (7), so that is about \$50,000, and you want to add another \$70,000, which is more than doubling it?

Committee Chair Kaneshiro: The proposal is for \$70,000.

Councilmember Yukimura: How much of the \$50,000 is being used? Anyone?

Councilmember Kagawa: Staff said all.

Councilmember Yukimura: Okay.

Council Chair Rapozo: We are done. That is why this is here. I am not even going to be here on the Council. I have seen enough this year where Councilmembers have to decide which conference they are going to go. I have to choose one over the other, and that is not how it should be.

Councilmember Yukimura: Other than Councilmember Chock and Council Chair Rapozo, no one else has gone over their travel budget?

Committee Chair Kaneshiro: I know in past, KipuKai has gotten close or has borrowed. I think I got reimbursed for part of the NACo trip, so if I did not get reimbursed for that, I probably would be over.

Councilmember Yukimura: Reimbursed by whom?

Committee Chair Kaneshiro: NACo, because I am the NACo member or HSAC.

Councilmember Yukimura: I see.

Committee Chair Kaneshiro: Again, the \$7,500 includes hotel and per diem, not just airfare and registration.

Councilmember Brun: Only two (2) Councilmembers went over, but some of us have to be close. If we let them borrow, then we cannot travel. I think that is why we are almost tapped out just from transferring, so we might be out, too.

Council Chair Rapozo: I think everybody is out already because we have borrowed from everyone that may not have traveled as much.

Councilmember Yukimura: Did someone borrow from me?

Committee Chair Kaneshiro: If someone is going to borrow from someone, they will ask them.

Councilmember Brun: Yes.

Committee Chair Kaneshiro: The Councilmember will ask if they can borrow.  
Councilmember Chock.

Councilmember Chock: For the record, I have never gone over my budget. I think when I was asked to participate, strategically, we have wanted to hold certain positions with NACo and WIR. When the positions became opened, I was approached to hold those positions. So by the nature of it, we have that responsibility to now attend, be part, and be an active participant. I think that is what caused some of this, for those who are serving in those capacities.

Councilmember Yukimura: Has somebody made an estimate of what your kinds of positions would need? Maybe that is where the addition would come. I am just trying to understand the proposal. Is it estimated that those of you who have responsibilities will spend say \$10,000 a year? If so, that is \$3,000 more per two (2) or how many? Three (3)? So, that is about \$6,000 or \$10,000 more.

Council Chair Rapozo: As I stated in my opening comments, I also wanted to include some of our staff to attend some of these functions. When we go to these functions, there are three (3) or four (4) sessions going on at the same time. One (1) member can only go to one (1). There is valuable information that is going on in all of the sessions. I would love to have the staff go and staff it, come back with the information, and make the connections. That is what it is. We are losing out on NACo. We are not getting the full advantage from NACo and WIR, because one (1) person is in one (1) session. I would just like to see us expand those benefits that we get from these associations that we pay quite a bit to be in to begin with.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Yes. Council Chair Rapozo, travel is an allowable expense under Hawai'i campaign spending laws. In fact, it says "to pay for ordinary and necessary expenses incurred in connection with the candidates duties as a holder of an office." In the past, holders of offices and elected officials who have gone above their travel budgets, have been able to use their campaign funds in conjunction with their jobs and responsibilities. You can read it here.

Councilmember Yukimura: I am sure it is legal, but I do not get the connection between public work and campaign funds.

Councilmember Kawakami: Well, I am not debating the issue. I am just reading specifically what the campaign law has spelled out in the law.

Committee Chair Kaneshiro: Are there any further...

Councilmember Yukimura: But...

Council Chair Rapozo: I would not use my campaign funds for that. My funds do not have more than that.

Councilmember Kawakami: I can tell you that I have never used it, but I do know people who have said, "Hey, if you are going over your budget, you can use campaign funds." But like I said, that is for an individual to make that judgment.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: Councilmember Chock, I know a couple of the trips that you went on standby because your wife works for the airlines. He saved some money on trips, too. It is not really saying how much he really spent. He is going to the conferences and learning. I do not want the public to get the wrong impression that he is going out for fun, because he is trying to go on his own. Thank you, Councilmember Kawakami, but I already loaned my campaign a lot of money. I cannot use that money anyway.

Committee Chair Kaneshiro: I would say as far as Councilmembers, we have a position on HSAC, we have a position on NACo, and we have a WIR position on NACo.

Councilmember Kagawa: Statewide.

Committee Chair Kaneshiro: Statewide. All of those of require travel and we could say, "Let us not fund the travel and let us give all our seats up to the other islands, and then we will not be involved with these associations," but I think that would send a bad precedent. I think we do get value having a vote at NACo, being in WIR, and being in HSAC. I understand the rationale in this. Councilmember Yukimura.

Councilmember Yukimura: I think that if they are legitimate trips, they should be paid for by public moneys. I feel uncomfortable, because I do not see any real

estimate. If \$10,000 for two (2) Councilmembers who have many positions, then \$60,000 is being used for staff travel, I do not know. I think I have a hard time voting for this total amount. I think I might be willing to vote for maybe half of it or else see the kind of calculation estimates of the number of trips that are estimated to happen by staff and so forth. Then, we do have a lot of money in other accounts, so those transfers would be of record and you could see how much we are transferring, and in the next budget, we could add that much more in our budget.

Committee Chair Kaneshiro: Let me say this, we are at 4:32 p.m. I do not think we are going to finish today. I think there is probably going to be a few more proposals. We still have to go through any rate increases, if there are rate increases. I think there is going to be some discussion. I think we probably have least another hour or so of meeting. I would say we do this, we take this vote, we recess, and we come back tomorrow morning if everyone is okay with that. I just do not see us finishing within an hour, and then we will be having staff stay late. We are going to have people here for overtime.

Councilmember Yukimura: Yes, we have tomorrow scheduled.

Committee Chair Kaneshiro: And we have tomorrow scheduled.

Council Chair Rapozo: What time is dinner break? Is it at 6:30 p.m.? Do you think we could get done by 6:30 p.m.?

Councilmember Brun: I say let us just do it and finish it up today.

Council Chair Rapozo: Well, I think if we drop the proposal and limit the discussion, like I said, it is either you are for it or you are not, and then we move on. If we are going to have discussion on every item like this, then we are not going to get it done.

Committee Chair Kaneshiro: I am open to whatever the Council wants to do. If we are going to stay until 6:30 p.m. and make the staff stay, then I would say that maybe we implement three (3) minutes talking and we make the decision. I do not want to stay here until 6:30 p.m., then still not finish, and have to come back tomorrow because then, we should just come back tomorrow. Councilmember Yukimura.

Councilmember Yukimura: I am not in favor of limiting debate just for the sake of staying within a timeframe when we have a whole day scheduled. This is the people's money. We should be able to discuss as much as we need to, and to artificially end it just so we can end within a certain time is not something I agree with.

Committee Chair Kaneshiro: Okay. I am open either way. Actually, let us take this vote first and then we will decide what we want to do. As far as me, pulling from the Reserve is not something that I really want to do. I have not done it in the past. I will be voting "no" on it. I think we lapsed money in Council. If we need to move some money for travel, I think everyone travels legitimately and we should be able to move some moneys from other accounts into travel if people are running out of money. Asking first, then if that does not cover it, then move some moneys. With that, roll call vote.

Council Chair Rapozo: I will just withdraw. Let us just move it along. I can count. This is an addition, we need five (5) votes and I already heard three (3) of you...

Committee Chair Kaneshiro: Again, these are all additions. These require five (5) votes.

Council Chair Rapozo: Let us all do that. If you go around the table and you understand that you do not have the votes, withdraw it and move on. There is no need to have a debate. For what? If three (3) people say, "I cannot support it," in the discussion, withdraw and everything can get done quickly.

Committee Chair Kaneshiro: What is the...

Council Chair Rapozo withdrew the motion to add a total of \$70,000 for Councilmembers' Travel to Legislative Conferences and Other Council Business. Councilmember Kagawa withdrew the second.

Committee Chair Kaneshiro: What is the pleasure of the Council? Do we want to stay or do we want to come back tomorrow?

Councilmember Brun: Stay.

Committee Chair Kaneshiro: Stay?

Councilmember Chock: I have one (1) more.

Councilmember Kagawa: I have to step out at 5:00 p.m.

Committee Chair Kaneshiro: We are going to lose a member in half an hour.

Councilmember Kagawa: But I will be back. I just have to go to the airport.  
Councilmember Brun: And you are not going to be here tomorrow, too.

Councilmember Kawakami: You are not going to be here tomorrow?

Councilmember Kagawa: No.

Committee Chair Kaneshiro: Okay, let us keep going. Are there any other additions?

Council Chair Rapozo: Let me just roll, because I think you and I are in the same boat. This was a security assessment that was done by the Kaua'i Police Department (KPD) a while ago. They did a complete assessment of this place and found a lot of flaws and potential problems. These are cameras, doors, and fixing up this place so that no one can come inside. We just had a break-in two (2) weeks ago through the front door here. I know this is a significant amount of money. It is \$200,000, but it is to basically secure this building for our staff's security. The security assessment is available in the Office of the



County Clerk. It is confidential because it definitely shows our weaknesses. You have to see it. This is an opportunity for us to once and for all, protect this building and our staff.

Council Chair Rapozo moved to add \$200,000 for Historic County Building Security Assessment Initiatives (Cameras, Door Reinforcement, etc.), seconded by Councilmember Brun.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You said there is an assessment already done?

Council Chair Rapozo: Yes.

Ms. Fountain-Tanigawa: Yes.

Councilmember Yukimura: So this initiative would implement the recommendations of the assessment?

Council Chair Rapozo: Yes.

Ms. Fountain-Tanigawa: The first phase.

Councilmember Yukimura: I am sorry.

Ms. Fountain-Tanigawa: The first phase.

Councilmember Yukimura: The first phase? What is the impact? People will not be able to come in through the front door? Is that what is the proposal is?

Council Chair Rapozo: No. Again, I do not want to discuss it, because it compromises the security of the building. It is basically to protect the insides of the building, our staff, as well as the building itself.

Ms. Fountain-Tanigawa: I can make that available to you.

Councilmember Yukimura: Yes. I would like to see what I am voting for.

Committee Chair Kaneshiro: Again, I will say that I will not be voting for it if that helps move this thing along.

Council Chair Rapozo: Yes, that will. Just make that known so that I can withdraw if that is the case. I will just say that a lot of us have been here, and we have sat here and listened to the Administration come up and say, "We need \$200,000 for security for the Office of the Mayor," boom. "We need something," boom. I am just asking that we take care of our side. That is all I am asking. I understand, Committee Chair Kaneshiro. I appreciate your steadfast position that you do not want anyone touching the Reserve, and it is what it is. I can appreciate and respect that. This assessment was done probably a year ago and maybe even longer than that. It is always, "No more money," but we have money for

everyone else, and when it comes to our own office—last year we went through this exercise with the positions. All of the positions we proposed to cut, we cut four (4) Council Services Staff positions. Why? Anyway, I am done.

Committee Chair Kaneshiro: Okay. Roll call vote.

The motion to add \$200,000 for Historic County Building Security Assessment Initiatives (Cameras, Door Reinforcement, Etc.) was then put, and failed by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Rapozo	TOTAL – 4,
AGAINST MOTION:	Kawakami, Yukimura, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion fails. Next addition.

Council Chair Rapozo: Do you want me to go through mine? Is that what you want to do?

Committee Chair Kaneshiro: Yes. Well, does anyone else have additions?

Councilmember Kagawa: I have.

Committee Chair Kaneshiro: We will go in the circle, just to be fair.

Council Chair Rapozo: Okay, that is fine.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa moved to contribute \$207,040 from the General Fund to the Public Access, Open Space, Natural Resources Preservation Fund, seconded by Council Chair Rapozo.

Councilmember Kagawa: While this is not going to put millions into the account, I believe that it is going in the right direction.

Committee Chair Kaneshiro: Are there any questions?

Councilmember Kagawa: I am ready to vote.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: No, I do not have questions, but I have discussion.

Committee Chair Kaneshiro: Okay.

Councilmember Yukimura: I was the one who argued strongly to keep the one point five percent (1.5%), and I would prefer to do it that way. I would prefer to change our Ordinance, so that prospectively we start refilling the fund. I feel the same kind of allegiance that the Budget & Finance Committee Chair feels to the Reserve Fund.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Are you saying that you are introducing an amendment?

Councilmember Yukimura: That would be an Ordinance amendment that would not be part of the budget. It would be subsequent to budget.

Committee Chair Kaneshiro: Again, there is \$230,000 to play with right now.

Councilmember Kagawa: I am using the Reserve Fund. I am using this.

Committee Chair Kaneshiro: Yes.

Councilmember Kagawa: I am using my cut.

Committee Chair Kaneshiro: The cut is going to come from...

Councilmember Kagawa: Not my cut, but our cut.

Councilmember Yukimura: Oh, okay. That changes things.

Councilmember Kagawa: The cut from Parks, the one that we saved.

Committee Chair Kaneshiro: The five (5) positions.

Councilmember Kagawa: We saved those decisions for the next mayor to evaluate whether he needs those five (5).

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Okay. If we can stay within our cuts, then I am okay with it, but I want to say that I have one (1) position, the Park Caretaker, that I want to put back for the West Side bathrooms, which would be at Salt Pond and others. That amount is \$34,000, so if we can reduce the access a little bit and do this \$34,000, I could vote for this, if there are no other additions. Are these the last two (2) additions?

Committee Chair Kaneshiro: There is a bunch of additions. I do not know how many additions there are, but...

Council Chair Rapozo: Mine are going to have some of you throw up.

Councilmember Kagawa: If I could respond to her proposal.

Committee Chair Kaneshiro: Councilmember Kagawa.  
Councilmember Kagawa: The great thing is that in these past years when places like Salt Pond get really bad or what have you, I have been successful in getting to Lenny and saying, "Hey, let us get on it. It is in bad shape." I show him pictures that constituents send and the job somehow gets done. All we need is a little nudge and we can somehow accomplish it. I am saying that we can wait six (6) more months doing it this way, putting out fires as needed, and we do not have to amend my amount because we have been able to somehow get the job done with our current staff. Yes, it would be great if we could add more positions. Every Department here would like another position, but at the end of the day, we succeeded in making the cut and let us not feel so sorry for the Administration. They are capable of doing a lot more than we think, at times. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I am thinking that the need is for keeping the bathrooms clean daily and it is not just a special event kind of thing. I am hard-pressed to vote for this unless we accommodate the Park Caretaker, but maybe we should take this vote first and then if it does not pass, then I will be free to introduce this.

Committee Chair Kaneshiro: I have no clue what people are proposing. We just take the vote at hand and go.

Councilmember Yukimura: Well, sometimes that is why it is good to just see everything up so that we can do our priorities.

Committee Chair Kaneshiro: I do not know if we have done that in past or if we would be breaking Sunshine Law by proposing and taking back. That is what happens with the Sunshine Law. We do not know what anyone is proposing.

Councilmember Yukimura: Yes, but...

Committee Chair Kaneshiro: I do not know if we have \$1,000,000 worth of additions or...

Councilmember Yukimura: Right now, we are in session. You cannot do this out of the limelight, but you can do it at a meeting. We could decide on a procedure where we lay everything out for everyone to see, then talk about it, and see if we can come to some kind of solution. It is better when everybody has full knowledge about what is going on the table. So, we propose it and pull it back like we did with the General Plan.

Committee Chair Kaneshiro: What is the pleasure of the Council?

Councilmember Yukimura: I am in favor of full disclosure.

Council Chair Rapozo: This is full disclosure.

Councilmember Yukimura: I think we can get to better decisions.

Committee Chair Kaneshiro: It is about priorities. I am thinking that we have a small balance that is cut and our Reserve Fund has been fully-funded based on the budget. My idea of the \$230,000 was either going to go to pay back the Open Space Fund or possibly go into housing.

Councilmember Kagawa: Okay. I can help us along by doing a friendly amendment. I say that we just make it to \$157,040. Do we have to withdraw the original motion? Then, Councilmember Yukimura has play to try to add back that position.

Committee Chair Kaneshiro: Okay.

Councilmember Kagawa moved to amend the preceding motion by decreasing the contribution amount to \$157,040, seconded by Councilmember Brun, and unanimously carried.

Committee Chair Kaneshiro: We are voting on the \$207,000 minus the one (1) position that Councilmember Yukimura was mentioning.

Councilmember Brun: Well, he just...

Councilmember Kagawa: I reduced it by \$50,000.

Committee Chair Kaneshiro: Yes, so it is minus that amount.

Councilmember Brun: Okay.

Committee Chair Kaneshiro: So that we are all clear on the amount is going to go into the Open Space Fund.

Councilmember Brun: Yes.

Committee Chair Kaneshiro: Can I get a roll call vote?

The motion to contribute \$157,040 from the General Fund to the Public Access, Open Space, Natural Resources Preservation Fund was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion passes.

Committee Chair Kaneshiro: Motion passes. Councilmember Yukimura, you have a proposal?

Councilmember Yukimura: Yes.

Councilmember Yukimura moved to add a \*NEW\* position for a Park Caretaker I (West Side) (10 months funding) in the amount of \$34,507, seconded by Councilmember Brun.

Committee Chair Kaneshiro: Is there any discussion?

Councilmember Kagawa: I am from the West Side, so this makes it a little easier for me to support. Who is not for better bathrooms? We have a great Caretaker, by the way over there, Mercy. She is full-time and she does a wonderful job. To give her support, because a lot of times, complaints come and they blame her, but it is not her because she has done it, too. If someone messes up the bathroom at 3:00 p.m., they blame her, but it is actually not having the coverage. We will go forward and hopefully, we will get the votes.

Councilmember Yukimura: Her name is Simplicia.

Committee Chair Kaneshiro: We do not need to say names.

Councilmember Yukimura: But it is a compliment.

Committee Chair Kaneshiro: Roll call vote.

The motion to add a \*NEW\* position for a Park Caretaker I (West Side) (10 months funding) in the amount of \$34,507 was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion passes. Are there any further additions? If my calculation is correct, we probably have \$23,000 up there, which was the equipment from Fire. Councilmember Yukimura and then we will go back to Council Chair Rapozo.

Councilmember Yukimura: I have a big addition for housing, but I think I am going to tie it to a Real Property Tax proposal.

Committee Chair Kaneshiro: We will wait on that.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: We are just taking additions. Council Chair Rapozo.

Council Chair Rapozo: I have two (2) grants-in-aid, one would be to Mālama Pono Health Services, if you remember the team that came up. This is to continue the sexually transmitted disease (STD) testing, which the funding got cut from the State. I know she came up and in her testimony today, she mentioned \$30,000. My request is for \$20,000 because that was our initial discussion a couple of months ago. So I am going to leave it at \$20,000 and again, this is just to continue the testing. You saw the numbers on the handout that they provided. It is quite staggering, and the work that they do. Like she said, they will continue even if they do not get the funding, but this is something that I think is very important.

Council Chair Rapozo moved to add \$20,000 to the Office of Economic Development, Grant-In-Aid account for Mālama Pono Health Services (STD Testing), seconded by Councilmember Brun.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Did we have any money left?

Committee Chair Kaneshiro: We probably have \$23,000 left.

Councilmember Yukimura: So, we could fund this and leave the Reserve Fund intact?

Committee Chair Kaneshiro: We could. I will make my statement now. I know I like to fund core services first. I think this is getting a little away from core services, not to say that it is not a good program or anything, but I will be voting “no.” I am just throwing it out there. Anyone else? Is there any discussion? Councilmember Kagawa.

Councilmember Kagawa: I am kind of torn on this one when you hear the stories of about how many local people they are helping. It is not a joke. STDs are bad. They can ruin your health for life. I am torn on this one. I am just afraid of listening to Senate President when we are asking them for support on funding, and he is going to say, “Are you folks stupid or what for funding these kinds of things? You folks act like you have so much money spending on these kinds of things, but it is not your *kuleana*.” I think we have to stick to—it is a priority, but I think we have to just stick to funding County things. The State has to pick up the tab for these types of services. If anybody can find a way, it is the Senate President. He can somehow find a way to help them out at the last hour. Thank you, Committee Chair Kaneshiro.

Councilmember Brun: I will be voting “yes” on this.

Council Chair Rapozo: The problem is they tried and, in fact, they got even further cuts. It is quite clear that the State is, for whatever reason, not doing it. What really got me is when I spoke to them, there are a lot of kids. There is a lot of information that they cannot provide, but what scared me was when we talked about the syphilis clusters that are showing up here. A lot of it is when they do a cluster, they determine if there is a common cell and it is tying back to the ship. That is why they went to the cruise ships to get some funding and they were denied. Someone has to pay for this. I agree with

Councilmember Kagawa, that at some point, we have to say, "No." When I look at the impacts and the potential damage to our kids, someone has to pick up the tab. I am a big boy, so you can call for the vote.

Committee Chair Kaneshiro: We actually have a little more money than I calculated. I think we took out a little less to the Open Space Fund, so there is a little bit of money left. Our new total is approximately \$40,000. Councilmember Yukimura.

Councilmember Yukimura: Well, I think the grant to Mālama Pono Health Services with the work for which this grant would pay is very important, but I do worry that we are going to get caught up in a precedent of funding non-core functions year after year, after year. What I would like to do is I would vote for this, but I would include it in our legislative package next year, the full-funding and a request to the State that they really take on their responsibility and do it.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Committee Chair Kaneshiro, first I would like to announce that I got a text message that the Governor signed the Bill, so the \$100,000,000 appropriation was signed. That being said, I understand...

Committee Chair Kaneshiro: We are not going to put \$100,000,000 up there, for the record.

Councilmember Kawakami: Shucks. But I do want to say that I do know the work that Mālama Pono Health Services has done. I have been in the position at the State level to support them as far as funding. I do not mind supporting them, but like with any other grant-in-aid, and the State does it quite well, we are very clear that it is a one-time appropriation. I think if they can understand that coming in and I do not know what commitments have been made, but the dangerous thing and the slippery slope with GIAs is that when it becomes an entitlement. That is never what the grant-in-aid program was intended to do, and people need to realize that. My support for Mālama Pono Health Services is that just they are an organization that goes out and raises their own funds extensively. When you talk about an organization willing to meet us halfway for the amount of the services that they do, because I can tell you that family planning; teen pregnancy prevention; STD prevention education, prevention, and treatment are all issues that people do not talk about. It is just like suicide and mental health illness. It is all of these things that just get swept under the rug. Most people really do not know what the true symptoms are out there because it is something that no one talks about. For this amount of funding and what we have left over as far as what we have, I can support it. Thank you, Committee Chair Kaneshiro.

Committee Chair Kaneshiro: Okay. Roll call vote.

Councilmember Yukimura: I just want to say, too, the fact that we have money and are not eating into our Reserve Fund is very important to me.



Committee Chair Kaneshiro: Okay. I think I have made my vote clear. Roll call vote.

The motion to add \$20,000 to the Office of Economic Development, Grant-In-Aid account for Mālama Pono Health Services (STD Testing) was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura	TOTAL – 6,
AGAINST MOTION:	Kaneshiro	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion passes.

Committee Chair Kaneshiro: Councilmember Kagawa is stepping out to run to the airport. I think we will take our caption break now.

*(Councilmember Kagawa was noted as excused.)*

Council Chair Rapozo: His vote counts as a “yes,” right?

Committee Chair Kaneshiro: Yes.

Council Chair Rapozo: Let us roll.

Committee Chair Kaneshiro: Unless you folks want to keep going.

Council Chair Rapozo: It is up to you folks. In the spirit of disclosure, because honestly, I have three (3) more, and the first one is for Kalena Park. The Youth Engagement & Action for Health (YEAH!) program that we had here and Get Fit Kaua‘i has pretty much taken the lead on that. They had requested that we finish up what they started in the plan. They estimated \$80,000 to get the consultant on-board and get that park—really, what the students had done for us or done for the park, this would basically complete the deal and be able to finish that up. I understand it is a lot of money, but it is a whole lot less than it would cost the County if the County Parks Department did what they are doing. I also have a \$20,000 add for the Electric Vehicle (EV) charging station on the West Side, and then this one is not that big...this one is only \$725,000 for a bathroom at Vidinha Stadium soccer field. I actually put in \$400,000, but Parks came back with the estimate of \$725,000. I am still thinking that we can do it for \$400,000 if we do it in a *ho‘olokahi* style program. I understand that we do not have the money up here, but we do in the Reserve Fund. If you folks are stuck on not touching the Reserve Fund, then I am not even going to introduce it. We have heard enough complaints from Vidinha Stadium over the last year-and-a-half and we have heard the excuse, we have heard the reasons, we have seen the reasons, and we have seen the responses from the portable toilet company saying, “We cleaned it.” Well, why is it that on Saturday when the kids go there first thing in the morning and it is still full? The answer to that is not having portable toilets. The answer to that heavily used park is a

bathroom. Those are the only three (3) that I have left. Again, it is a lot of money, but it is money that I believe would definitely improve our quality of life here on the island.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: For what it is worth, I would support the bathroom. I know it is a lot of money. I have a lot of text messages if anyone wants to look at it when people are there on Tuesdays, Saturdays, and any time that they go there. Those porta-potties are full with things. We get the text messages all of the time. We brought it up, we talked about it, and it is not happening with the toilet company. That place is heavily used by soccer. There are a lot of people. Flag football is coming up. I think we need to do something and we need to get a bathroom there. I will be fully supporting that. I know it is coming out of the Reserve Fund and I know it is hard, but that is something that we really need and it needs to happen. If you get all of the text messages that we get, you would be disgusted waking up Saturday morning with a text like that. I will be fully supporting the \$725,000.

Council Chair Rapozo: Okay, I will leave it at \$725,000.

Committee Chair Kaneshiro: Do you want to make a motion?

Council Chair Rapozo: Yes, let us start with that one. I do not think we will get the votes, but I will make the motion.

Council Chair Rapozo moved to add funding in the Department of Parks & Recreation – Administration, Special Projects, in the amount of \$725,000 for a new Vidinha Stadium Soccer Fields ADA Comfort Station, seconded by Councilmember Brun.

Committee Chair Kaneshiro: Is there any discussion? Councilmember Yukimura.

Councilmember Yukimura: The reason why the Reserve policy is a good one is because then it leads to what I have been trying to live by, which is if you are going to make an addition, you find a cut. It is like doing a household budget. You set your limits and you say what is the most important. I fully understand the need for a bathroom there. There are two (2) things that I worry about; one is the Reserve Fund, that it will violate the Reserve Policy. The other is that we need a plan for that stadium. A restroom is a really permanent structure. If that soccer field is the permanent use, then it makes sense to support it. If we are going to change the plan later, and I do not know what the other plan would be, but if we do not have a plan that we are working on, then arguably, you may have to take it down in order to implement another plan.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Thank you. First of all, this Administration will not complete that plan. That is very evident. My suggestion is to build a restroom facility that is post and (inaudible) that is can be moved and relocated. The kids are not going to stop coming. The football is not going to stop. The soccer is not going to stop. It is going to

be a while before that bathroom or the plan for that park will be implemented. In the meantime, I do not know what else to tell the kids. "Sorry"? I cannot continue with the excuses that we have been given to these kids, families, and parents. These are four (4) year olds, five (5) year olds, or six (6) year olds that are running into a bathroom, holding as long as they can, and they open up the door to be met with a pile of fecal matter that is taller than them. That is not right. We sit here and talk about waiting for a plan. We have a plan for that stadium. We have a plan with tennis courts, swimming pools, and a gymnasium. The plan is about thirty (30) years old and we have not moved one iota to get the plan in place, so I am not waiting for that, but we have to do something. Either that or not use that park, because that is not healthy, safe, or humane for our kids. That is my point. Portable toilets, really? Try have portable toilets for all of our County employees and administrators and see how long that lasts. We have to provide the basic necessities for these kids. The diseases in that thing must be—I do not know. I cannot wait for the Parks Department to implement that plan. There is a lot of the money. If you go through the budget, there is a lot of money that I believe is not as high a priority as this, so that is the motion.

Committee Chair Kaneshiro:                      Councilmember Yukimura.

Councilmember Yukimura:                      I would be willing to vote for it if it is identified in the budget some other source of money that we can cut, or when it is collective bargaining time, we need to look at what our priorities are.

Committee Chair Kaneshiro:                      I know these bathrooms are definitely needed. \$700,000 would be pulling from the Reserve Fund. I do know in going through our follow-up questions, that an option would be for Parks to open up Vidinha Stadium during these sports times. I would ask that they pursue that option for now until we can find other funding for the bathroom. My vote would be "no" on this. Councilmember Yukimura.

Councilmember Yukimura:                      They could possibly also look at more frequent servicing of the portables and maybe, someone should prepare a proposal for when we get our mid-year CAFR if there are then some moneys to spend.

Committee Chair Kaneshiro:                      Councilmember Brun.

Councilmember Brun:                              It is not more frequent service of cleaning the porta-potties, because they are supposed to clean them on Fridays. People go there first thing Saturday morning at 8:00. It is disgusting. That is why I asked them right up here, "Why do we not look at a new vendor?" It is not about the porta-potties. I understand opening the stadium and we brought that up. It is more security reason. That is why they do not do it, because of people playing on the field and whatnot. That is why they do not want to open the stadium. If we can go this route, this would be the best route to take so it would eliminate all of those issues that we are trying to bring up to solve this. Thank you.

Committee Chair Kaneshiro:                      Councilmember Yukimura.

Councilmember Yukimura:                      I do not understand when you said it is a security issue.

Councilmember Brun: The kids are going on the field to play in the whole stadium. They are running on the bleachers and whatnot.

Councilmember Yukimura: Oh, I see.

Councilmember Brun: They are not watching the kids. That was a concern of the Administration.

Councilmember Yukimura: Yes, it is not within sight.

Councilmember Brun: Yes.

Committee Chair Kaneshiro: Is there any further discussion? Let me make this clear, Councilmember Kagawa is currently excused, so his vote does not count. It will still take five (5) "yes" votes to pass.

Councilmember Brun: I say we take a caption break.

Committee Chair Kaneshiro: Whether we want to continue going not knowing what his vote is, I...

Council Chair Rapozo: I honestly do not know what his vote is.

Committee Chair Kaneshiro: I do not know what his vote is either.

Council Chair Rapozo: I can honestly say that I did not talk to Councilmember Kagawa about this.

Committee Chair Kaneshiro: I just want to make it clear that we know how the votes go. We decided to stay long. Councilmember Kawakami.

Councilmember Kawakami: This is not Christmas. Do you know what I mean? We have all been here, with the exception of Councilmember Brun, to know exactly how hard it is to make cuts. We know this. We have been here long enough. I have been at the State level. It is hard to make enough cuts to supply all of the wants that we have. It is not fiscally responsible to dip into the Reserve Fund, especially now in the light of these floods. It should show an example of how important it is to have a Reserve Fund. Just because we have it there, we should not be so undisciplined to tap into it. Knowing that we have the difficulty making cuts, no matter how easy it is that we say that we can find "fat," it just does not happen. That is reality. I agree that this is going to be a soccer field. They have a master plan that has not been implemented. It is a soccer field. I think it is going to be a soccer field for a very long time so the excuse of not having a restroom there because there is some plan that was sitting out there, sitting there and not being implemented, is not acceptable. They need a comfort station, but I do not think that dipping into the Reserve Fund is the responsible thing to do. I am just going to say that I do have a revenue enhancement proposal that is already drafted that has the \$725,000 for the comfort station. I do not know if it is going to pass because it is a property tax increase. That is another tough thing to pass as well, probably just as tough as a cut. But I would rather be responsible and increase the

property tax and increase revenue to meet what we consider needs, which I think this is a need; it is not a want. At this point, it is a need. It is a public health and safety need. For our *kūpuna* and *keiki*, it is a need. I would rather take the avenue of trying to see if we can do a revenue enhancement rather than dip into the Reserve Fund, so I will be voting “no.”

Committee Chair Kaneshiro: Anyone else? I mean, that is two (2), so it is going to fail.

Council Chair Rapozo: If it fails, it fails. I am not going to bring Ken back up here to ask him because I already know the answer. What is stated as the reserve, we know we will have excess money. We know that. How much of that, I do not know, but I do know that there will be excess money. Again, you can only cut so much unless you start cutting warm bodies or you can, like Councilmember Kawakami said, raise the taxes. Maybe we should have the revenue generator before we do the additions. I do not know. That would make more sense, if we go down this road. Maybe the Budget & Finance Committee Chair will allow us to revisit some of these items after we do revenue generating, but that is the problem. That is the dilemma we are in because of the Sunshine Law. We have no idea what each other is doing. It is what it is. I understand. I am not going to ask for a recess. I am not going to ask for Councilmember Kagawa to come back. It is what it is. We will take the vote and move on. Our staff is going to be here until 6:30 p.m. and I do not want to prolong this.

Committee Chair Kaneshiro: Let me say this again, not touching the Reserve Fund is our own discipline. But last year when the Reserve Fund did lapse, the Administration did come in for projects and Parks got almost \$3,000,000 worth of projects; \$3,000,000, \$4,000,000, or \$6,000,000. I know a portion went to roads and majority of the portion went to parks. Voting “no” on this does not necessarily mean that a project like this will never go through. Again, with that Reserve Policy, that is what you do. If there is a lapse, you meet your reserve and during the year, they say what the projects are that need to be funded. Then, we need to be more aggressive on putting up projects that we want at that time. Council Chair Rapozo.

Council Chair Rapozo: Discipline is making the necessary cuts in the budget. Discipline is making sure that we create a pretty accurate budget. That is where the discipline should be when we are not cutting where we should cut, and then you allow for the \$6,000,000 to \$7,000,000 overage at the end of the year. I would much rather see—we saw it today. We saw it today in stoves. Those things. That is the discipline when you can catch it. But it is hard to see it in the budget the way that it is presented. The way we do our budget process here, it is very hard to find what is not going to be spent. In the training budget, for example, for the Fire Department—there were a lot of the individual items that we have no clue if they will spend it all. That is where the discipline should be. The discipline should be at the administrative-level when you are doing your budgeting in front of the Mayor, being accurate in your numbers, because we have no way of knowing of what is inflated or not. I do know that at the end of the year, we will have an excess. Yes, we can come back later and do a money bill, but these are the kinds of projects that I would like to see started already and not wait for that. But anyway, we can move forward.

Committee Chair Kaneshiro: Okay. We will take a roll call vote.

The motion to add funding in the Department of Parks & Recreation – Administration, Special Projects, in the amount of \$725,000 for a new Vidinha Stadium Soccer Fields ADA Comfort Station was then put, and failed by the following vote:

FOR MOTION:	Brun, Rapozo	TOTAL – 2,
AGAINST MOTION:	Chock, Kawakami, Yukimura, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	Kagawa	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion fails.

Council Chair Rapozo: Thank you. Let us try to pick a winner.

Council Chair Rapozo moved to appropriate \$20,000 to the Office of Economic Development - Other Services for an Electric Vehicle Charging Station on the West Side of Kaua'i, seconded by Councilmember Brun.

Council Chair Rapozo: This is an earlier proposal that was done. It is part of Councilmember Yukimura's cut and add. This is obviously, just \$20,000 for the EV charging station on the West Side.

Councilmember Brun: Council Chair Rapozo, can you amend it to \$19,385 so that we do not touch the Reserve Fund? If not, we are going to take out \$615 from the Reserve Fund.

Council Chair Rapozo: I cannot even see the Reserve Fund, but whatever it takes to get it passed.

Councilmember Brun: Okay. Thank you.

Councilmember Yukimura: Yes. It will be enough.

Committee Chair Kaneshiro: The proposal is for \$19,385, electric vehicle charging stations on the West Side.

Council Chair Rapozo moved to amend the preceding motion to appropriate \$19,385 to the Office of Economic Development - Other Services for an Electric Vehicle Charging Station on the West Side of Kaua'i, seconded by Councilmember Brun.

Council Chair Rapozo: Thank you, Councilmember Brun.

Committee Chair Kaneshiro: Is there any discussion? Councilmember Kawakami.

Councilmember Kawakami: If we have the money, I can support it. The Office of Economic Development has about \$1,000,000 in grants-in-aid. If sustainability and these types of proposals are going to be a priority and they are going to talk about it, then find the \$20,000 within their means. These are the kinds of frustrating things that I get really—this

is the type of line item that stings a little when we are scratching and clawing for every single dime and they have room in their budget to include it if it is going to be a top priority, and we are here fulfilling their mission. With that being said, if we are going to be able to draw from the \$19,385 and that is what it is going to take, then by all means, count me as a “yes” vote.

Committee Chair Kaneshiro: Is there any other discussion? I thought an item like this should come out of the Office of Economic Development. We provide grants to everyone else. It is like, why do we not provide a grant to ourselves to do a project like this? My “no” vote is that we take it out of the Office of Economic Development. They have specific grants for energy, or we can get to it faster and the Council can vote on it right here.

Council Chair Rapozo: Is there any interest in the five (5) positions that were cut, of putting them back?

Councilmember Yukimura: We put one (1) back.

Council Chair Rapozo: Right.

Councilmember Yukimura: Oh, back into the Department?

Council Chair Rapozo: Back where they came from. No? Are you just going to lose those positions altogether?

Councilmember Brun: I would rather put it in because they said they need it.

Council Chair Rapozo: I have it here, and it is dollar-funded. The reason I ask is if we are so stuck to that number, then we have to subtract \$5 so we can put these positions back.

Councilmember Brun: Okay.

Council Chair Rapozo: That is what I mean. It is kind of funny. I do not know. I just want to know what the body’s feeling on that is.

Committee Chair Kaneshiro: My vote for the cut was not to put the positions back. I think when they went through the process and took the positions out, they were all dollar-funded anyway. My feeling was that it was not needed at the time. We moved it to Parks and we cut that, too. That is where I was going to stand on it.

Councilmember Brun: I think the reason it was said was because it was grant-funded. That is why it was dollar-funded. They were paying for it with grants, but they were using the positions. It was being paid by grants and it was funded by someone else, but they did not use those positions for some time. So they would use it. They need those positions if they got the money. The money would not come out of our budget on those positions. They were using grant money or some kind of money to pay for those positions. It

was not coming out of General Fund anyway. Yes. That is why it was dollar-funded all of that time.

Committee Chair Kaneshiro: Again, if they want it back dollar-funded, they can come back and ask for the position dollar-funded. It is up to the Council on what we want to do. We should maybe withdraw this motion, do this \$5 one first, and then move forward.

Councilmember Kawakami: What is this? \$5?

Council Chair Rapozo: It is dollar-funded that is why.

Committee Chair Kaneshiro: They are dollar-funded positions.

Councilmember Kawakami: The Administration came to us to remove these positions, right?

Council Chair Rapozo: To move them.

Councilmember Kawakami: To move them?

*(Councilmember Kagawa was noted as present.)*

Committee Chair Kaneshiro: These dollar-funded positions moved to the Parks Facilities positions.

Councilmember Kawakami: Yes.

Committee Chair Kaneshiro: And we ended up cutting those positions. The question is, do we move them back as dollar-funded or do we just have the positions cut?

Councilmember Kawakami: And it is going to be \$5?

Committee Chair Kaneshiro: Well, they are dollar-funded positions, but it is a matter of if we want the Administration to come back and ask for the positions later, or do we want to put them back into their respective Departments that they came from? Councilmember Yukimura.

Councilmember Yukimura: The question for me is whether those positions were being used in the original Departments and Divisions. My recollection of the conversation was that they were not being used. I wish we could have them here so they could tell us.

Committee Chair Kaneshiro: Again, there are two (2) options. The option is we vote "no" and we leave it. If the Administration needs those positions back, they can come back. If it is grant-funded, they can ask for it to be dollar-funded, and they will use a grant for it. The second option is we do it for them right now and move them back. It is that simple, whatever we want to do. I am fine with it the way it is. If they need the positions back, they can come ask for it. If Housing comes in and says, "We have a grant coming in and we need



the position to funnel the money through,” then I could see that happening. I am comfortable the way the budget is.

Councilmember Yukimura: Where did they come from? From Housing? Three (3) from Housing, one (1) from the Office of Economic Development (OED), and one (1) from the Department of Human Resources (HR).

Committee Chair Kaneshiro: Not to confuse the matter, but we put back one (1) position.

Councilmember Yukimura: That is right.

Committee Chair Kaneshiro: We are essentially adding a position. If we put the five (5) back, then we have essentially added a Park Caretaker position and put back the five (5) positions.

Councilmember Yukimura: Well, we have HR here. Do we want to ask them?

Committee Chair Kaneshiro: I think it is up to us. Do we want to leave it as cut and have the Administration come back and ask for the positions later, or do we want to put them back? That is what it comes down to. Councilmember Brun.

Councilmember Brun: I would support both. I do not know if we want to do the positions first and then do the charging station again. I will be supporting both, but you can ask everyone around the table.

Committee Chair Kaneshiro: Let us withdraw the charging station proposal, talk about these dollar-funded positions, and then we will come back, because we are only supposed to be talking about one.

Councilmember Brun: Okay.

Committee Chair Kaneshiro: If we can withdraw the charging station proposal.

Council Chair Rapozo withdrew the motion to appropriate \$19,385 to the Office of Economic Development - Other Services for an Electric Vehicle Charging Station on the West Side of Kaua'i. Councilmember Brun withdrew the second.

Council Chair Rapozo move to add \*NEW\* positions for the positions removed during the budget decision-making process but present in the Fiscal Year 2017-2018 Budget (Position Nos. 9534, 9541, 9661, 9210, and 10108), seconded by Councilmember Chock.

Council Chair Rapozo: Are there four (4) positions or five (5)?

Councilmember Yukimura: Make it four (4).

Committee Chair Kaneshiro: Again, do we want to be four (4) or five (5)?

Council Chair Rapozo: I do not want it to be five (5).

Councilmember Kaneshiro: Okay.

Councilmember Yukimura: Me too.

Council Chair Rapozo: Which one do you cut, that is the question.

Council Chair Rapozo withdrew the motion to add \*NEW\* positions for the positions removed during the budget decision-making process but present in the Fiscal Year 2017-2018 Budget (Position Nos. 9534, 9541, 9661, 9210, and 10108). Councilmember Chock withdrew the second.

Council Chair Rapozo: I do not know how we are going to do that.

Committee Chair Kaneshiro: Let us get the motion and the second on the EV.

Councilmember Kagawa: Is this is all together?

Committee Chair Kaneshiro: No.

Councilmember Kagawa: Why do we not just vote on this?

Committee Chair Kaneshiro: We are done.

Councilmember Kagawa: Oh, they withdrew?

Committee Chair Kaneshiro: Yes.

Council Chair Rapozo moved to appropriate \$19,385 to the Office of Economic Development - Other Services for an Electric Vehicle Charging Station on the West Side of Kaua'i, seconded by Councilmember Brun.

Committee Chair Kaneshiro: This is the exact balance that we have left.

Council Chair Rapozo: This is to wipe out the fund.

Councilmember Kagawa: Okay.

Committee Chair Kaneshiro: My vote was "no," because I think the money should come out of the Office of Economic Development as a grant. We provide them a lot of grant money. They have grant money specific to energy, and I think that is where the money should come out of. I do not like making these last-minute decisions here and start giving away money. I think we have seen that in past before, too, where we had people come in for money the last-second trying to ask for money for different projects. Councilmember Yukimura.

Councilmember Yukimura: I would vote for your proposal if you actually make a cut from OED, but otherwise, I want a more certain thing, which is this bill that is before us.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Again, I am all for the West Side. I am thinking hard about this and some of the ones that we said, "Oh, they really need them, but there is no money." The thing is if you really needed your electric car to get to work and you knew that it did not have a charging station on West Side, then why the heck would you buy it? At the end of the day, you generally look for your route, where the charging station is at, and make sure that before you buy the car, that you have those things in place. Having said that, we are talking about two (2) charging stations in Waimea, which does not have any. No matter how confused or frustrated I get to thinking about why you would buy a car knowing there is no charging station there, I am going to support it.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You are right, Councilmember Kagawa, that if someone lives on the West Side, they will not use it to charge their car. You will set up a charger at your home. In many ways, that charger is for other people on the other side of the island trying to come. We heard testimony about tourists that rent an electric car they cannot get up to Kōke'e. Those are the kind of tourists that in order to charge, would have to stay in Waimea Town and walk around, so we would get that benefit.

Committee Chair Kaneshiro: Is there any further discussion from the Members? Let me say this, I will back-up off of my vote. I will vote for this, but if the Administration can find other money to pay for this charger, then I would highly suggest that they find that money to pay for it. I think it was the State's mandate for electric vehicles. A lot of people were saying that they wanted to drive to Kōke'e, which is a State park, and then they are asking us, the County, to put in an electric charger there for them to travel to Kōke'e. We probably have money for this in some grant, we can probably find a match, or if there are programs out there that are looking to help encourage electric vehicles, I will say that I will vote for this. But if we can find money elsewhere, then I would suggest that we do that first. I will leave it at that. Anyone else? Councilmember Kawakami.

Councilmember Kawakami: I am just going to say that on the private sector side, that you are going to see another charging station on the West Side, but it is extremely expensive. \$20,000 is applaudable. I want to find the contractor who is doing that. It is going to get put in and like I said, some of these organizations need to put their money where their mouth is. If they want to tout sustainability, then chip in. I am going to say that this is going to be a charging station that is going to be on the backs of taxpayers, the majority of them are not driving electric vehicles and a majority of them cannot afford to buy an electric vehicle. This is going to hurt a little, but I do see the need. I do see the gap in service. That being said, I will support it.

Committee Chair Kaneshiro: Can I get a roll call vote?

The motion to appropriate \$19,385 to the Office of Economic Development - Other Services for an Electric Vehicle Charging Station on the West Side of Kaua'i was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 7*,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent, but shall be recorded as an affirmative for the motion).*

Ms. Fountain-Tanigawa: Motion passes.

Committee Chair Kaneshiro: Are there any more additions?

Council Chair Rapozo: Just one (1) last one. I talked about it earlier, it is for Kalena Park. Again, this is just finishing up what we had discussed at a prior meeting with Get Fit Kaua'i, the Georgia Institute of Technology, and the YEAH! program. This would basically allow them to fulfill their project, get the consultant on-board, and do for the County what we cannot do for ourselves, I guess, is the best way to put it. That is the \$80,000.

Council Chair Rapozo moved to add funding in the Department of Parks & Recreation - Administration, Special Projects, in the amount of \$80,000 for Kalena Park Improvements, seconded by Councilmember Brun.

Committee Chair Kaneshiro: Let me say that we have exhausted our cuts. We are at zero (0). This money would be taken from the Reserve Fund. I will not be voting for it. Councilmember Kawakami.

Councilmember Kawakami: Thank you. How many more additions do we have? Like I said, is this Christmas? We are tossing out cash. When it comes down to revenue enhancement and making the tough decision to raise Real Property Taxes, I hope that people can support it, because right now, we are dipping into the Reserve Fund. We are dipping into our savings account. People may say that we have a savings account to play with until something disastrous happens. We will see if it is reciprocal. Like I said, there is no money, we are going to dip into Reserve Fund, we could not get the cuts as much as we wanted to say there is "fat" it could not happen, we could not make it happen, and so when it comes down to revenue enhancement later on—maybe it is the process that we have to look at. Maybe we do the revenue enhancements upfront and see how sincere people are because it is going to be tough. This one is going to hurt people. I am going say that I think it is going to be necessary. Thank you.

Committee Chair Kaneshiro: Actually, I like us going through the pain of seeing that there were not a lot of cuts, so there are not a lot of additions that we can do. Yes, at the end of this process, if we want to do an addition, it is going to take a Real Property Tax

increase. I think that is where we may be heading. Yes, it is a tough thing, so we will see how it goes. Councilmember Yukimura.

Councilmember Yukimura: My understanding is this is for a plan, right? That is what I was told. I am trying to clarify that because I just want to make sure it is not going to the Boys & Girls Club, because then I have to recuse myself.

Council Chair Rapozo: No, it is not.

Councilmember Yukimura: Okay.

Council Chair Rapozo: This is going to a consultant that is going to design a plan and then the group, along with Get Fit Kaua'i, will put in the...

Councilmember Yukimura: Okay. I think it is not going to be physical improvements. It is going to be a plan and I am totally in favor of it. I would suggest that we take \$80,000 from R&M Building, \$2,000,000 in the Department of Parks & Recreation budget, because I think there is some give there, and that would help make it happen. It is a Parks & Recreation program.

Council Chair Rapozo: Where is that?

Councilmember Yukimura: On page 162.

Council Chair Rapozo: Page 162 on the bottom?

Councilmember Yukimura: Page 162 on the bottom right. There is a \$2,000,000 fund for R&M Building. You will recall that they have this other fund, the 209 Fund and the grandfathered amount that we wanted them to use first. They have a lot of leeway.

Council Chair Rapozo: It is basically a cut and add. I am not sure where...

Councilmember Yukimura: Just take it from the \$2,000,000.

Council Chair Rapozo: Cannot. It has to be one of the line items. Just take it from the Kapa'a Armory. That is what I would propose, the \$1,000,000 line item. Take it from there.

Councilmember Yukimura: Sure.

Committee Chair Kaneshiro: Did we get a motion and second? Are we going to amend this motion?

Council Chair Rapozo: Yes. It will end up being a cut and an addition. It will be a cut of \$80,000 from Kapa'a Armory Improvements on the bottom right of page 162.

Council Chair Rapozo moved to amend the immediately preceding motion by adding to the motion a reduction to the Department of Parks & Recreation - Administration, R&M Building, Kapa'a Armory Improvements by (\$80,000), seconded by Councilmember Brun, and unanimously carried.

Committee Chair Kaneshiro: It was the amendment.  
Councilmember Yukimura: Yes, not the motion itself.

Committee Chair Kaneshiro: The amendment on the floor is for an addition of \$80,000 for Kalena Park Improvements and cut to Kapa'a Armory Improvements.

Councilmember Kagawa: Can I say something?

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I am pretty sure out of the total \$2,000,000 there is \$80,000 of "fat" in there. I am comfortable.

Committee Chair Kaneshiro: Is there any other discussion? I am a little hesitant on \$80,000 for Kalena Park. It is not the biggest park around. I do not know. That is my hesitation. Is there any other discussion? If not, roll call vote. This is a cut and add at the same time.

The motion to reduce the Department of Parks & Recreation - Admin, R&M Building, Kapa'a Armory Improvements by (\$80,000) was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: I will make sure we spend the \$80,000 correctly.  
Are there any more additions?

Council Chair Rapozo: I just have one (1) more.

Councilmember Chock: What?

Council Chair Rapozo: I am just kidding.

Committee Chair Kaneshiro: We will take a ten-minute caption break, come back, and hopefully we will not go to 6:30 p.m. Hopefully, we will be done before 6:30 p.m. Ten-minute caption break.

There being no objections, the meeting recessed at 5:35 p.m.

The meeting reconvened at 5:46 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We are still on additions. Do we have any other additions? If not, we will move on to Real Property Tax. Are there any Real Property Tax proposals?

Councilmember Kawakami: Yes.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami moved to increase the Real Property Tax rate for the Vacation Rental tax class by \$2.00 to generate \$6,059,805 in revenue for the General Fund (after the required \$30,451 contribution to the Public Access, Open Space, Natural Resources Preservation Fund), appropriate \$2,667,403 to the Reserve Fund, \$2,667,402 to the Housing Development Fund - Special Projects, and \$725,000 for the Vidinha Stadium Soccer Field ADA Comfort Station, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Are there any questions? Councilmember Chock.

Councilmember Chock: Just for the body, I do also have a similar tax increase for Vacation Rentals. It also includes the Residential Investor tax category, all of which to be attributed to the Housing Revolving Fund for a total of \$4,000,000. I know that we have a proposal on the table, so I do not know if you want me to go into further detail.

Committee Chair Kaneshiro: Let me take some information on this one and then maybe we can always withdraw, maybe see yours, and if we could come to some type of compromise, that would be the easiest, or if we want to vote just for one. Council Chair Rapozo.

Council Chair Rapozo: So you have the Residential Investor?

Councilmember Chock: My proposal is actually a total of the eleven percent (11%) across the board from each category, which amounts to \$0.97 out of the Vacation Rental tax class and \$0.78 out of the Residential Investor tax class. Again, that is for second homes over \$2,000,000. It is a split, eleven percent (11%) each, which equals the \$4,000,000. \$20,000 will automatically go into the General Fund and then onto the Open Space as well. I chose those only because the mansions that we have on the island, one, inflate our housing market and many of them are not being used for long-term rentals. For the vacation rentals, in a recent article from our own Planning Director, we understand that eighty percent (80%) of the vacation rentals are off-island owners, and one (1) in eight (8) are now vacation rentals. Again, my intention is to really look at what is causing the shortage of housing that we are all talking about and take that money and direct it specifically to the Housing Revolving Fund. I did meet with Kanani Fu on this item and I asked her what she could spend in the next year, and this is the amount that we came up with based on three (3) projects that have currently been identified: Puhi Park, Lima Ola in 'Ele'ele, and there is a third project that she already has on the books.

Councilmember Yukimura: The one by Kaua'i Economic Opportunity, Inc. (KEO).

Councilmember Chock: Yes. That is my proposal.

Committee Chair Kaneshiro: When you say eleven percent (11%) across the board...

Councilmember Chock: The eleven percent (11%)...

Council Chair Rapozo: What is the tax rate that you are looking at as far as the Residential Investor?

Councilmember Chock: That is a good question. It would be an increase of \$0.97 and \$0.78. I think Vacation Rental, if I am not mistaken, is \$8.85. Is that right? What is Residential Investor?

Committee Chair Kaneshiro: Eleven percent (11%) across the board, but you are not increasing the tax rate eleven percent (11%) for all?

Councilmember Chock: No, not for all. Just for the two (2) classes.

Committee Chair Kaneshiro: You are only increasing those two (2) by eleven percent (11%)?

Councilmember Chock: Which amounts to \$0.97 and \$0.78. Residential Investor is at...

Council Chair Rapozo: I guess the question for me, Councilmember Chock, is are you okay with the proposal by Councilmember Kawakami for \$2 for TVR?

Councilmember Chock: I wanted to put something on the table for us to discuss because I believe at least the Vacation Rental class is the right area. When I hear that twenty percent (20%) are local residents in Vacation Rentals, I am a little bit afraid that if we go all the way up to \$2, which is the same rate as hotels—one, should we consider them hotels? That is my first question. The second question is, are we going to put some of our local residents out of business who are using vacation rentals as a means to keep their home, a home that might be in their families for generations. Those are my concerns. I am still targeting the same tax class. I just thought that maybe a split effort would be better. I am open. I feel like my goal here is to look at serving the Housing Revolving Fund and I also like the idea in Councilmember Kawakami's proposal, that the Open Space Fund is also being funded. If we can work something out...

Committee Chair Kaneshiro: In the proposal we are looking at, Councilmember Kawakami, the Open Space Fund has to be funded point five percent (0.5%) of whatever proposal is going, so that is where that \$30,000 is. Any proposal that increases Real Property Tax rates, point five percent (0.5%) is going to have to go into the Open Space Fund. Councilmember Yukimura.



Councilmember Yukimura: I am not quite understanding the contributions to the Reserve Fund. Are we not at full-funding in the Mayor's budget?

Councilmember Kawakami: We gave \$5,000,000 away to the storm, and it yet remains to be seen if we are going to get it back. We are dipping into the Reserve as we speak. This is a matter of fiscal responsibility and really forecasting. There is this uncertainty whether this \$100,000,000 is going to go back into the Reserve Fund and whether FEMA is going to reimburse us. There is so much unknown, because it just so happens that this budgetary process that we are going in, we are also recovering from the worst storm damage since Hurricane 'Iniki. There is a level of uncertainty and we are doing the budget process like nothing happened. Yes, there is a contribution to the Reserve Fund because we just appropriated \$5,000,000. This is \$2,670,000, a little over half of what we scooped.

Councilmember Yukimura: We appropriated it from the...

Committee Chair Kaneshiro: Reserve Fund.

Councilmember Yukimura: Reserve Fund, and that does not change from fiscal year to fiscal year?

Committee Chair Kaneshiro: No. We have \$14,000,000 set aside based on our reserve policy for emergencies, but when we pull the money out, we still need to replace the money back in. As far as being responsible with our money, I think we were responsible being that we grew the Reserve Fund, we placed a target on the Reserve Fund, and we had the flexibility to say, "Hey, we have an emergency. How much money do we have," and we had that money there. We had \$14,000,000. But it does not mean that if we take \$14,000,000 out, there is magically going to be \$14,000,000 back in there. It is going to have to get repaid somehow.

Councilmember Yukimura: But we could possibly get that repaid from the \$100,000,000?

Committee Chair Kaneshiro: I am not sure.

Council Chair Rapozo: That is the biggest unknown right now.

Committee Chair Kaneshiro: We could say that we may get it from FEMA, but I do not know that either. I do not think FEMA is going to reimburse one hundred percent (100%).

Council Chair Rapozo: Well, even if they do, it is seventy-five percent (75%). Even then, it will probably be a while before we even see the results of that. I kind of like this proposal, to be honest.

Councilmember Yukimura: I had an addition knowing that Councilmember Chock was going to introduce the bill, and the addition was for \$4,000,000 for housing. For me, that full amount needs to be put in the budget, so I will vote for any proposal that has \$4,000,000 for housing. As you may know, I am contemplating a Charter Amendment that

would set aside a Real Property Tax percentage for housing every year, because I think that is what we need to implement, our General Plan Affordable Housing Policy. We need more capital that is free from tax credits, restrictions, and so forth. It will reflect what we did after the hurricane, which was we had \$40,000,000. \$4,000,000 a year for ten (10) years will be \$40,000,000, which I think produced maybe one thousand five hundred (1,500) to two thousand (2,000) units and our twenty-year goal is, I think, about eight thousand plus (8,000+) affordable housing. It is nine thousand (9,000) units in total that we are projecting. If we are serious about implementing our affordable housing projects, I would like to see at least that much set aside. I think that should be the priority for Real Property Taxes.

Committee Chair Kaneshiro: This proposal has \$2,600,000 for housing, so you will probably be a “no” vote on the proposal.

Councilmember Yukimura: Well...

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Yukimura: I am open to...

Councilmember Brun: Councilmember Chock, with your increase that you are doing, what is the total amount of money that is going to be raised?

Councilmember Chock: The amount is \$4,023,814.

Councilmember Brun: Sorry, I did not hear that.

Councilmember Chock: Approximately \$4,000,000.

Councilmember Brun: In that, do you have \$725,000 to spend for the Vidinha Stadium improvements?

Councilmember Chock: No. My proposal is all going directly to the Housing Development Fund.

Councilmember Brun: Okay. My question is for Councilmember Kawakami, if he would maybe drop the Vacation Rental in half and also tax the other one that Councilmember Chock was talking about. I like what you are using for this, but if we could also get the gentlemen estates or whatever it is. It is just a question.

Councilmember Kawakami: Here is the answer, “no.”

Councilmember Brun: Okay.

Councilmember Kawakami: Because for the investment properties, I do not know if it is going to hurt local people as well. There are people out there and \$2,000,000 does not go too far nowadays. Do you know what I mean? I took a look at the vacation rentals. I know it is going to hurt, but my philosophy is if it walks like a duck and quacks like a duck, then it is a duck. We have allowed vacation rentals. This County has allowed

vacation rentals to go into residential neighborhoods. They have some infrastructure needs similar to hotels, and they get the benefit. I think we allow trash pickup at residential rates, but they are a commercial activity. My thought is it is a hotel. There is, I think, one thousand seven hundred (1,700) units out there, possibly more with all the illegal ones. One (1) in eight (8) homes in Hawai'i is a vacation rental. It has taken inventory out of the affordable housing that we need. Quite frankly, the due diligence that I did as far as this proposal, did not consider the real estate investment class. I am proposing to level the playing field. I consider them the same as a hotel operation and that is my philosophy. I do know that there are a lot of resources and impacts that this type of industry has caused on our local people, so I feel that this is their fair share.

Councilmember Brun: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I would like to have our Finance Director come up. I want to ask what the Administration's proposal is for replenishing the Reserve Fund.

Committee Chair Kaneshiro: I will suspend the rules.

There being no objections, the rules were suspended.

Mr. Shimonishi: Ken Shimonishi, Director of Finance. When we came forward with the \$5,000,000 for the disaster needs, we obviously did not have a plan to say, "This is the immediate way to replenish it." However, we were in the heat of the moment realizing we needed funds, but we knew that in the back that the State was proposing the \$100,000,000, exactly what the strings are to get that, remain unknown. Also, we realized that some of the expenditures, now more so that the Declaration was signed by the President, are making us eligible for FEMA reimbursement provided we adhere to the FEMA guidelines. It is somewhat fluid, but obviously, our goal is to maximize FEMA reimbursement to the extent possible given that there still will be a time lag on when we get that and also seek reimbursement from the State Legislature, the Bill that the Governor just signed. The best-case scenario if, in fact, the State funds are not as restrictive is that the County could, in theory, it would be our goal to replenish the full \$5,000,000 back into our Reserve Fund through these two (2) funding sources. That would be the best-case scenario. Timewise, I really could not say that is a year out or more than a year, but that would be the ideal situation. The worst-case scenario is that we pay and the \$5,000,000 goes towards our twenty-five percent (25%) contribution towards FEMA eligible projects, and we are still in the process of evaluating total costs and so on.

Councilmember Yukimura: Sorry. Was your last point that it will go towards our twenty-five percent (25%) share?

Mr. Shimonishi: Correct, the County's matching; of twenty-five percent (25%) of whatever is FEMA eligible, or one hundred percent (100%) of what is not FEMA eligible.

Councilmember Yukimura: Okay.

Mr. Shimonishi:  
as well, clearly.

But again, we hope to get some of the State funds

Councilmember Yukimura:  
the \$5,000,000 from the Reserve Fund?

In your Supplemental Budget, did you take out

Mr. Shimonishi: The Reserve Fund is not factored into the Operating Budget because we are not using it. We only have a line item of a contribution going back in of \$400,000, and that was when we had come forward with the money bill on the Adolescent Drug Treatment Center for additional funds that we had said that we would use this \$400,000 for that, and then plan to pay it back. It was part of the budget submission, to include the contribution back in.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Ken, this year's Supplemental Budget is \$215,200,000. Would the thirty percent (30%) be \$65,600,000?

Mr. Shimonishi: It is based on the General Fund revenue and it is based on the last year's Comprehensive Annual Financial Report (CAFR) General Fund revenues and thirty percent (30%) of that is what the target is established at.

Council Chair Rapozo: So, do we know that number?

Mr. Shimonishi: We know that number now, which was \$43,400,000 or something like that.

Council Chair Rapozo: Okay.

Mr. Shimonishi: That was our Reserve Fund. At the end of the year, we had excess of that amount, and that is when we had the money bill last December, which put money mainly towards park facilities.

Council Chair Rapozo: Right.

Mr. Shimonishi: We came back to amend it to put some money towards Pua Nani Street.

Council Chair Rapozo: Right.

Mr. Shimonishi: So, that brought us down to the actual Reserve Fund level within less than one hundred thousand dollars (\$100,000).

Council Chair Rapozo: Okay.

Mr. Shimonishi: From there, we came before Council and asked for the \$5,000,000 towards the disaster relief, which we know will lapse back within sixty-one (61) days of whatever is not used or encumbered.

Council Chair Rapozo: What are we proposing right now in the next fiscal year for the Reserve Fund?

Mr. Shimonishi: We will wait until we get the CAFR completed and that will reset the target. If the revenues go up, which typically they do, then it will be maybe \$44,000,000 or \$45,000,000.

Council Chair Rapozo: Yes.

Mr. Shimonishi: If the revenues happen to decrease, which happened during the recession period, then that annual Reserve Fund allocation also decreases.

Council Chair Rapozo: Okay. Thank you.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I recognize that Councilmember Kawakami does not want to look at the Residential Investor tax class. But just in terms of what we are chasing here, I know there is an amount that we are chasing in Open Space, the park restroom, and then housing. It is anywhere between \$7,000,000 or so. The two percent (2%) Vacation Rental would give us \$6,000,000. If we are stuck with the eleven percent (11%)—is it eleven percent (11%)?

Committee Chair Kaneshiro: \$2.

Councilmember Chock: Sorry, \$2, not two percent (2%). \$2 in Vacation Rental and eleven percent (11%) in Residential, it would get us to what we are chasing. I just wanted to put it out there.

Councilmember Kawakami: Do you want to do a friendly amendment and bump up the Residential Investor tax class, too? Is that I am hearing?

Councilmember Chock: Yes, so it would be a hybrid. It would be the eleven percent (11%) out of my current proposal for Residential Investor, which would give us \$1,000,000 plus your \$2 increase for the Vacation Rental that would cover the housing part, restroom, and the Open Space differential. That is just an option.

Councilmember Kawakami: I am open.

Council Chair Rapozo: One real quick question.

Committee Chair Kaneshiro: But that allocation changes on where the money goes.

Councilmember Chock: Yes, that is right.

Council Chair Rapozo: What does the eleven percent (11%) equate to?

Councilmember Kawakami: That is why we are talking sort of like “apples and oranges.”

Council Chair Rapozo: Yes.

Councilmember Chock: It is the \$0.78 that is in my proposal. \$0.78.

Council Chair Rapozo: So \$0.78 for Residential Investor gets us \$1,000,000?

Councilmember Chock: Gets us \$1,000,000.

Councilmember Kawakami: Where do you want that \$1,000,000 to go?

Councilmember Chock: Well, I was just thinking of all of the different costs. So the \$4,000,000, \$725,000, and \$3,000,000.

Councilmember Kawakami: I am open-minded. I am flexible.

Council Chair Rapozo: And then the \$2 will get us the \$6,000,000, so that is \$7,000,000?

Councilmember Kagawa: I want to know where the additional \$1,000,000 is going. Is it going to Housing?

Council Chair Rapozo: To Housing, Open Space, and to the bathroom.

Councilmember Chock: The park restroom.

Councilmember Kagawa: I am ready to vote.

Committee Chair Kaneshiro: And no money going to the Reserve Fund.

Councilmember Chock: And no money going to the Reserve Fund, by the way.

Councilmember Kawakami: No, some has to go to the Reserve Fund.

Committee Chair Kaneshiro: Yes.

Councilmember Kawakami: Do you know what I mean?

Councilmember Chock: I am just talking about the costs on the board that everyone was looking at.

Councilmember Kawakami: Oh, okay.

Councilmember Chock: But we could structure out some of it for the Reserve Fund as well.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I really feel hesitant about putting vacation rentals at a Hotel and Resort tax rate. I do not think they are exactly the same as a hotel. They do not have all the common area expenses, as well as the value of the property. I think we might be overburdening them. I do not mind increasing it above what Councilmember Chock has proposed, but exactly the same as the Hotel and Resort tax class, I think, does not recognize the distinction. They are not the same as a hotel. I feel comfortable leaving the Reserve Fund as Ken has suggested, that we would wait for the reimbursements, because I do believe that getting it from Federal or State moneys if we can, is the best way, not taking from our own tax base. I would really like to include the Vidinha Stadium, but I am not clear what is being proposed for Open Space other than the required point five percent (0.5%). I think we have to watch—it may seem like a bottomless pit that we could tax, but I think there may be some unintended consequences. I do not think they are the same categories.

Committee Chair Kaneshiro: Are there any further comments? Councilmember Brun.

Councilmember Brun: I like adding that tax to Councilmember Kawakami's proposal, putting more in public access, adding to the housing, and adding to the Reserve Fund. I would like to put that tax, because I like the rest that Councilmember Kawakami has on here; funding the Reserve Fund, funding housing, and funding the bathrooms. Add that tax to his proposal and out of the \$1,000,000 you put into Open Space, then you maybe do half-and-half with housing and the Reserve Fund, or something like that.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I hope we are not cutting down the \$4,000,000.

Committee Chair Kaneshiro: There is no \$4,000,000 in the proposal right now.

Councilmember Yukimura: No, but we are talking about a new package. We always make housing a subject to all of these other needs. I think we have to say that affordable housing is a first priority and we need to give that kind of capital that is unrestricted to housing. We have to be really clear about that. The \$4,000,000 is not going to get us to the number of units that we need, but it will get us much closer than if we do not put in that \$4,000,000.

Committee Chair Kaneshiro: Let me tell you where I am at on it, am I comfortable increasing taxes \$6,000,000? Not really. If it was half, I would probably vote for it right now as-is, the way it is with the split in allocation. Again, do we want to add more taxes to it and make it \$7,000,000? I do not know. If the vote comes down to \$6,000,000, the vote comes down to \$6,000,000. We have to kind of steer towards one direction and get to where we are going to vote on. I know there are needs for housing, the Administration put \$500,000 into housing already, and this proposal is proposing to put another \$2,600,000 into the Housing Development Fund. Is that the Housing Revolving Fund? We did allocate \$157,000 to the Open Space Fund already. I want to see what our comfort level is and how high we want to tax. Let us start from there. If everyone is comfortable increasing taxes \$7,000,000, then we go from there, but I want to get to a point that we can vote.

Councilmember Kawakami: Is there anything that prohibits Councilmember Chock and myself to kind of just look with Finance to see if there is a middle ground that we can agree to in the next five (5) to ten (10) minutes? I think we can come up with a compromise. Is there anything under the Sunshine Law that prohibits Councilmember Chock and I to sit down with Ken to bounce some numbers?

Council Chair Rapozo: No, just as long there are only two (2) members.

Committee Chair Kaneshiro: I think as long as it is just you two (2). We will take a recess. If you folks could try to come to some resolution and come back, then we will take a vote on it. Right now, it is very hard to do it when there are two (2) different proposals and we do not get to see one. Let us do that. Councilmember Yukimura.

Councilmember Yukimura: Can I just suggest then, that maybe we do \$860,000 for Open Space?

Committee Chair Kaneshiro: If everyone says what we want, we are going to be here forever.

Councilmember Kawakami: This is like a candy shop.

Committee Chair Kaneshiro: One might want \$850,000 and one might want \$900,000. We have the two (2) people that did the proposals. If they can go talk to Finance, then we will get closer to something. We will take a recess.

There being no objections, the meeting recessed at 6:15 p.m.

The meeting reconvened at 6:31 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. Councilmember Kawakami, you have the floor.



Councilmember Kawakami withdrew the motion to increase the Real Property Tax rate for the Vacation Rental tax class by \$2.00 to generate \$6,059,805 in revenue for the General Fund (after the required \$30,451 contribution to the Public Access, Open Space, Natural Resources Preservation Fund), appropriate \$2,667,403 to the Reserve Fund, \$2,667,402 to the Housing Development Fund - Special Projects, and \$725,000 for the Vidinha Stadium Soccer Field ADA Comfort Station. Councilmember Kagawa withdrew the second.

Committee Chair Kaneshiro: Okay.

Councilmember Kawakami: I have another motion on another proposal.

Councilmember Kawakami moved to increase the Real Property Tax rate for the Vacation Rental tax class by \$1.00 and the Residential Investor tax class by \$1.00 to generate \$4,394,889 in revenue for the General Fund (after the required \$22,085 contribution to the Public Access, Open Space, Natural Resources Preservation Fund), contribute \$2,700,000 to the Housing Development Fund - Special Projects, \$725,000 for the Vidinha Stadium Soccer Field ADA Comfort Station, and \$969,889 to the Reserve Fund, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Okay. Are there any questions from the Members? Councilmember Yukimura.

Councilmember Yukimura: Are we basically funding the Housing Development Fund and the Vidinha Stadium?

Committee Chair Kaneshiro: And putting money back into the General Fund.

Council Chair Rapozo: To the Reserve Fund.

Councilmember Chock: The Reserve Fund.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Yes, the Reserve Fund.

Councilmember Kawakami: Excuse me, Committee Chair Kaneshiro. I have one (1) correction.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: The \$4,416,974 is an incorrect number. It is \$4,394,890 and the rest of the numbers are correct.

Committee Chair Kaneshiro: Okay.

Council Chair Rapozo: \$4,394,8...

Councilmember Kawakami: \$4,394,889 would be revenue enhancement. I can explain it a little. It was a compromise between Councilmember Chock and myself. Philosophically, I wanted to raise the Vacation Rental tax class \$2 to tax it at the Hotel and Resort tax rate. There was discussion that vacation rentals are not the same as hotels, and I agree. But I do think that in a sense, the vacation rental market has been harder to manage and has actually taken more of our resources, because one, hotels are all mainly one (1) area and they are buffered from neighborhoods, in a sense. Two, the vacation rental market is spread out and have gone into residential neighborhoods, but I am very open-minded. I am cognizant of the fact that any tax increase is going to hurt, and so the \$1 increase to both of these classes are a compromise and quite frankly, they are closer to Councilmember Chock's proposal, except that we are appropriating some towards the Reserve Fund and replenishment of the Reserve Fund, and then also towards the one (1) add that I had, which is the ADA compliant comfort station at Vidinha Stadium, and then the rest goes to Housing.

Committee Chair Kaneshiro: Okay. Councilmember Yukimura.

Councilmember Yukimura: I would like to leave the replenishment of the General Fund to the process as described by the Finance Director and put that money into housing, at least up to \$4,000,000. With the \$1 increase in each category, it will not be enough, so I think if we raised the Residential Investor class by \$0.25 more, \$1.25, we can get \$4,000,000 for housing.

Committee Chair Kaneshiro: For now, I want to hear where people are at with the current proposal. Looking at the proposal, yes, I was pretty uncomfortable with the \$6,000,000. It is a little high. I was kind of hoping to hold some of that tax in our back pocket for the day that we do a budget and we say, "There is no cutting we can do, there is nothing else that we can do to balance the budget, we need to increase the tax," and I was thinking that maybe Vacation Rental or Residential Investor money was the way to go. By increasing it by \$2, I did not think we would have any more room there anymore, but there was a compromise. We are at \$4,000,000 now. I think we all know Housing is in desperate need of—well, not desperate need. It can always use money. We are in a housing crisis and we had our Housing Director here saying that we can use money and it will go into a Revolving Fund. So, this money will not be spent down and disappear. The money will stay in there and will continue to be reused. I am a lot more comfortable with this proposal and I am willing to move forward with this proposal. That is me. Councilmember Brun.

Councilmember Brun: Councilmember Kawakami, I know the total money is going down, so which of these is going to be short-funded? It is down to \$4,300,000 or something.

Councilmember Kawakami: We are appropriating less the surplus. The original proposal had roughly closely to \$2,700,000 going to housing and \$2,700,000 going to the Reserve Fund. There is going to be less going to the Reserve Fund, and that is with the hopes that the \$100,000,000 and reimbursements from FEMA will come to fruition and actually kick-in.

Councilmember Brun: What is the difference now in the number? Right here, it says \$4,416,000.

Councilmember Kawakami: That is the wrong number. It is \$4,394,889.

Councilmember Brun: So, it is only \$20,000?

Councilmember Kawakami: No. It is significantly lower. The original proposal was closer to \$6,000,000.

Councilmember Brun: I am talking about this one, because the \$4,416,000...

Councilmember Kagawa: It is a typographical error.

Councilmember Brun: The error.

Councilmember Kawakami: Oh, yes. It is a small amount.

Council Chair Rapozo: \$22,000.

Councilmember Brun: So out of the \$22,000, you are just going to take it out of the Reserve Fund?

Councilmember Kawakami: No.

Councilmember Brun: We are not touching anything?

Councilmember Kawakami: All of the other numbers are correct.

Committee Chair Kaneshiro: The \$22,000 is the required contribution to the Open Space Fund.

Councilmember Brun: Oh, okay.

Committee Chair Kaneshiro: It is the five percent (5%).

Councilmember Brun: The numbers on here are correct then? Sorry.

Committee Chair Kaneshiro: Just that first number...

Councilmember Brun: I am ready to vote to support it. Thank you.

Committee Chair Kaneshiro: Is there any further discussion from the Members? Council Chair Rapozo.

Council Chair Rapozo: Nobody likes to raise taxes. I think Councilmember Kawakami made a really compelling statement when he discussed the natural disasters and when he talked about the unknown. We do not know what is going to happen about the FEMA reimbursements. We do not know how long it is going to take. We

do not know with the State grant, even that is in question. How are we going to get that? How much we are going to be able to use? Housing is at a crisis, as was said by many people today. Kanani told us for every \$1 they get in the Revolving Fund, they can leverage \$12. So that puts this over \$30,000,000 that will be available at the end of the day. One argument is that the TVRs are a contributor to the housing crisis. We have heard that over and over, and I believe that to some extent. Some of the TVRs will never be able to go into the affordable housing or even moderate housing market, but there are some units that there is no incentive to put it into that market. I like this proposal. Again, this is proactive in making sure that we can take care of this County as we move forward with, again, with the set of unknowns that we are presented with right now with this recovery effort. We do not know how this thing is going to end up. I appreciate Councilmember Chock and Councilmember Kawakami getting together with this compromise. This is one that I can actually support. Thank you.

Committee Chair Kaneshiro: Are there any further comments from the Members? Councilmember Yukimura.

Councilmember Yukimura: If we do get one hundred percent (100%) reimbursement through a combination of Federal and State moneys, can we say that the second use of those Reserve Funds would be for housing?

Committee Chair Kaneshiro: I do not think we can earmark it, but I can say that when the CAFR is passed, we will know what our reserve target is and if we have any additional money in there, if FEMA paid more money in, then it is going to go through that same process that we had before where the Administration comes forward and brings a proposal where they think this extra Reserve or General Fund money should go—what is the correct term? It is not General Fund money...our excess reserve, and it goes to projects that the Councilmembers then vote on. I think in the future, we could be a little harder on it. We can amend the projects to what we want. We can do other things like that. This was the first year...we passed that reserve policy as a Resolution, we passed the structurally balanced budget, and so this was the first year where we actually had a target of what we wanted our reserve to be. In the past, it was, "I do not know. Do we have enough money? Do we not have enough money?" This last year was the first year that we actually had a target, we met it, and we had excess money. It was a situation where, what do we do with the excess money? If we continue with budgets like this, there will be some excess money in there and that is when the Administration and the Council decides where that money goes at a pressing time in. In retrospect, we should have put some of the Parks money to Vidinha at that time, but we did not know how bad it was at the time. It comes down to timing, too. We cannot earmark it now for a particular project, but we can, in the future, if there is excess Reserve Funds, then that money will be spent where it is needed. With that, we will take—Councilmember Yukimura.

Councilmember Yukimura: Can we have discussion?

Committee Chair Kaneshiro: Yes, sure.

Councilmember Yukimura: I feel strongly that we need more money in the Housing Development Fund. The Housing Development Fund is not all revolving, but it does include some revolving moneys. They need the flexibility to sometimes use it so that it will

be permanently gone, but other times, it will come back. I think that is all good. I am disappointed that it will not be \$4,000,000, but I can compromise and I am glad that we have the Vidinha Stadium soccer fields covered. I will be voting for this.

Committee Chair Kaneshiro: Okay. Is there any further discussion? If not, roll call vote.

The motion to increase the Real Property Tax rate for the Vacation Rental tax class by \$1.00 and the Residential Investor tax class by \$1.00 to generate \$4,394,889 in revenue for the General Fund (after the required \$22,085 contribution to the Public Access, Open Space, Natural Resources Preservation Fund) and contribute \$2,700,000 to the Housing Development Fund - Special Projects, \$725,000 for the Vidinha Stadium Soccer Field ADA Comfort Station, and \$969,889 to the Reserve Fund was then put, and carried by the following vote:

FOR MOTION:	Brun, Chock, Kagawa, Kawakami, Rapozo, Yukimura, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion passes.

Committee Chair Kaneshiro: Motion passes. Does anyone else want to propose any Real Property Tax increases? Okay. If not, before we adjourn, I would like to ask if we could have a motion and second...wait, let us slow down.

Councilmember Yukimura: May I make a comment? I just want to point out that these two (2) categories of Real Property Taxes that we raised the taxes in, are subject of the constitutional amendment that was passed by the Legislature, which would allow the Department of Education to take moneys from. If it passed, it would be a major restructuring of taxes as between the State and County, because it would be the State infringing on property taxes, which has always been the exclusive *kuleana* of the Counties. The really problematic part of it is that like fuel taxes where each side can just raise—no one side has any control, whereas the TAT and the Excise Tax can only happen to the Counties if the Legislature allows it, so one (1) entity is in charge. But if you have these two (2) jurisdictions like the fuel tax just raising without any coordination, it really causes a lot of taxpayer distress. It is a very ill-conceived constitutional amendment, so we have to educate the voters to vote against it.

Committee Chair Kaneshiro: With that, I am going to move to amend Section 6 of the Operating Budget Provisos to modify the contribution to the Public Access, Open Space, Natural Resources Preservation Fund from \$655,217 to \$834,342 to reflect the increase in Real Property Tax revenue and the subsequent increase in contributions to the said Fund. Can I get a second?

Councilmember Yukimura: Did you make that motion?

Committee Chair Kaneshiro: Oh, I cannot make a motion.

Councilmember Kagawa moved to amend Section 6 of the Operating Budget Provisos to modify the contribution to the Public Access, Open Space, Natural Resources Preservation Fund from \$655,217 to \$834,342 to reflect the increase in Real Property Tax Revenue and the subsequent increase in the contribution to said Fund, seconded by Councilmember Brun.

Committee Chair Kaneshiro: Sorry, it is getting late and I am trying to finish. Okay.

The motion to amend Section 6 of the Operating Budget Provisos to modify the contribution to the Public Access, Open Space, Natural Resources Preservation Fund from \$655,217 to \$834,342 to reflect the increase in Real Property Tax Revenue and the subsequent increase in the contribution to said Fund was then put, and unanimously carried.

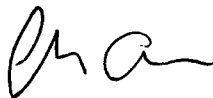
Committee Chair Kaneshiro: Motion passes, and that was just to get everything in line. Also before we adjourn, I would like to ask if we could have a motion and second to provide Council Services Staff with the ability to make adjustments after entering the various proposal, if necessary, to balance the budget.

Councilmember Kawakami moved to allow Council Services Staff to balance the budget after entering Decision-Making proposals, seconded by Councilmember Brun, and unanimously carried.

Committee Chair Kaneshiro: Motion passes. Our decision-making is now complete. Thank you. Before we adjourn, I would like to go over a few more housekeeping items. Staff will be preparing our amendments that were made today and incorporating them into the budgets. On May 22, 2018, which is a Tuesday Committee Meeting, due to a WIR Conference being on a Wednesday, the Budget & Finance Committee will be formally approving all decision-making items by procedurally amending and approving the budget Bills and Real Property Tax Resolution along with receiving the Committee Report detailing the various pluses and minuses. I would respectfully like to ask Councilmembers to refrain from making their final commentary that week and make your final comments during the second and final reading of the budget, which will take place May 30, 2018. As I mentioned after Committee, the Council will then approve the Fiscal Year 2018-2019 budgets on second and final reading, which will be accompanied by the Council's budget message on May 30, 2018. On May 30<sup>th</sup>, Councilmembers will be able to make their final remarks on the budget in accordance with our Council Rules. With that, I want to thank the Administration for all of your hard work through this process, the Councilmembers for their hard work, Council Staff, and all of the Administration for the back and forth we have had and the stress we probably put you through with this budget session. For one, I think we are successful in passing a balanced budget. Two, we did not tap the Reserve Fund, so we did follow the policy. With that, we are one step closer to passing the Fiscal Year 2018-2019 Operating and CIP budgets. With that, the Budget & Finance Committee Decision-Making session is now adjourned.

There being no objections, the meeting was adjourned at 6:49 p.m.

Respectfully submitted,



Allison S. Arakaki  
Council Services Assistant I



Codie K. Tabalba  
Council Services Assistant I

APPROVED at the Committee Meeting held on July 5, 2018:



ARRYL KANESHIRO  
Chair, Budget & Finance Committee

